WorkSafe™

It's in everyone's interest

Workers' Compensation Board of B.C.
2000 Annual Report

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To order

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Details of the Medical Review Panel and the Appeal Division are published in the *British Columbia Workers' Compensation Reporter*, and will be available on the WCB web site at www.worksafebc.com.

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WORKERS' COMPENSATION BOARD OF BRITISH COLUMBIA

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In 1995...

The injury rate was at 4.8

Five years later...

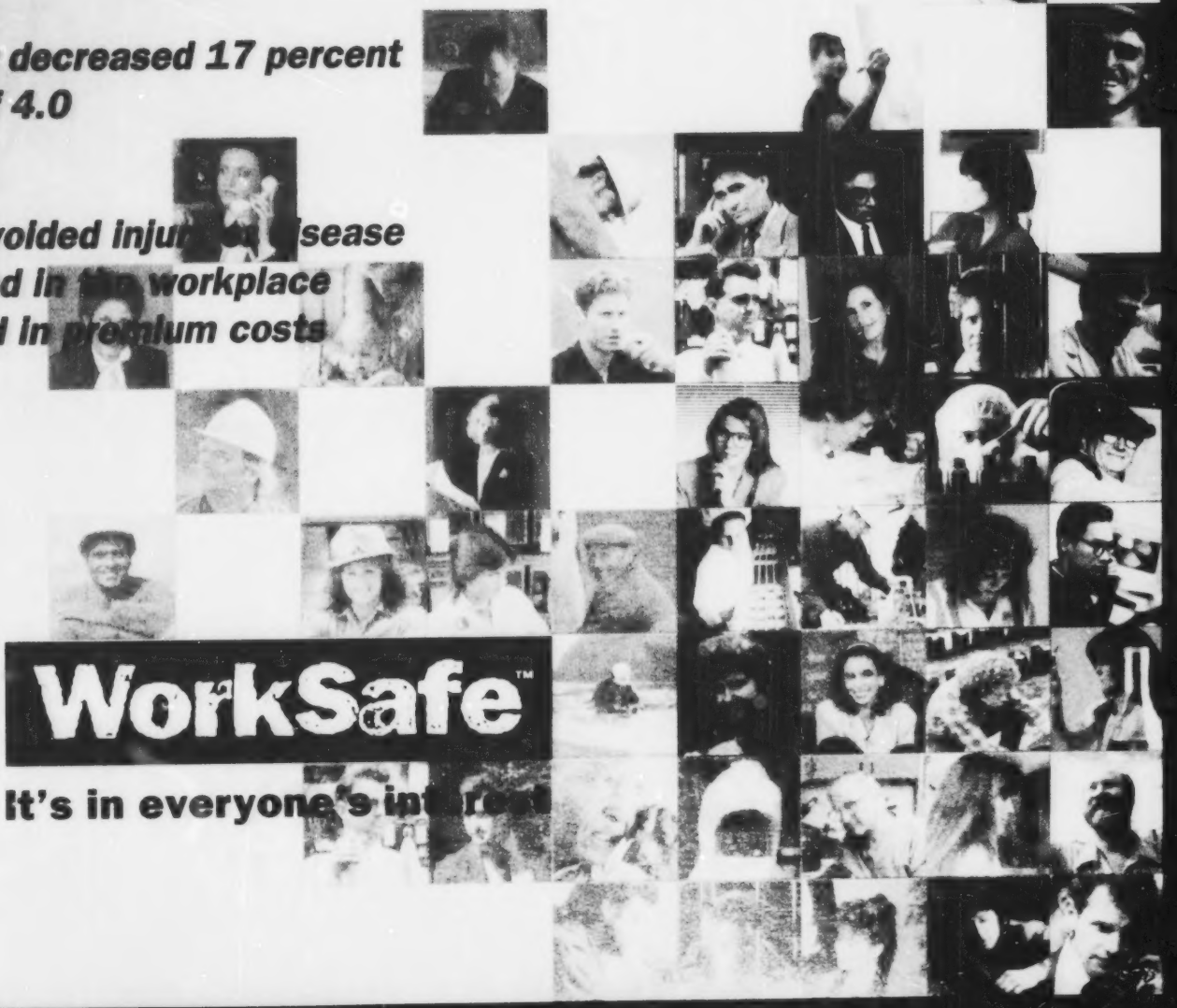
The injury rate has decreased 17 percent to a historic low of 4.0

That means ...

13,554 workers **avoided injury or disease**

27 lives **were saved in the workplace**

$145 million **saved in premium costs**



WorkSafe™

It's in everyone's interest

Message from the Chair

The theme of the WCB 2000 annual report is "WorkSafe. It's in everyone's interest." Woven throughout this report you will see examples of how employers, workers, the Workers' Compensation Board, and others, working together, have endeavoured to ensure that workplaces are safe for workers.

The success we have experienced in reducing the injury rate has been a combined effort. The rate is now 17 percent below what it was in 1995. This is a result of a number of factors, including better tracking by the Board of injury activities by industry sector. In doing so the Prevention Division can focus its resources on those industries that have the highest injury rate. The Board does this by maximizing its efforts through education, consultation, and enforcement to improve health and safety compliance. As well, we are seeing the willingness of some employers and workers, with the assistance of the Board, to establish health and safety organizations for their industries to deliver training programs in health and safety responsibilities. In addition, some employers have increased their focus on ensuring a safe workplace for their employees and have implemented successful disability management strategies.

In addition to the above initiatives, there is one other I would like to highlight, and that is the young workers' educational program. Young workers have been a source of concern for many years at the Board. In 1994, the rate of injury for those between 15 and 24 years of age was 50 percent higher than for the rest of the workforce. Since that time, this group's injury rate has dropped 33 percent.

Our success in reducing the young worker injury rate started in the schools where a safety curriculum was developed. It was reinforced through advertising and awareness raising. Most importantly, employers and workers in industries where youth is a significant part of the workforce made the effort to bring workplace safety into orientation programs for new and young employees. With that combined effort, the WCB received validation for its safety initiatives for this particularly vulnerable part of our workforce. But there is still much to be done and, collectively, we can do it. Other provinces have lower injury rates than British Columbia. Continued commitment and attention by everyone will be the key to further reducing the injury rate in our province.

In the area of policy development, the WCB Panel of Administrators instructed the Policy and Regulation Development Bureau to advance in those areas where issues may have been contentious, but to clearly demonstrate fairness in its resolutions. The year 2000 marked the completion of more than 15 policy issues that were considered Panel priorities and dated as far back as five years. Since the Bureau was formed, there have been more than 40 policy resolutions. Again, these results could not have been achieved without the contribution of workers and employers, and a respect for fairness of the process.

In 1999, the Panel approved funding for Compensation Services that would improve the quality of adjudication and produce more timely claim decisions at the earliest stage. Duration has decreased, down from over 52 to less than 51 days. The Panel believes the duration rate can be even lower, and we will report to the community when we achieve this goal.

In the area of assessments, the Panel approved a further reduction in the average assessment rate for employers, making it the sixth year in a row where premiums have either remained the same or declined. Almost half of the Board's revenue comes from its investment portfolio. Buoyant markets and a sound investment strategy have contributed significantly to lower assessment rates. At the time of writing, it is not anticipated that our portfolio investments will continue to provide the record returns that characterized investment markets over the past five years.

The Panel will be reviewing ways to reduce administrative costs while continuing to support effective, efficient, and timely service delivery.

Accountability for reducing assessment rates rests squarely with employers, who are ultimately responsible for safety in their workplaces. With the

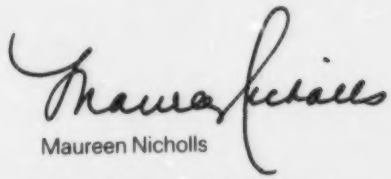
introduction of ER2000, the WCB's experience rating system, those employers with the worst injury rates will pay more. We recognize that many employers have made the transformation to a safety culture within their operations, but others have not. The Board will be focusing its efforts on those firms with the greatest challenges.

Both the worker and employer communities contributed in establishing the Research Secretariat, which reports to the Panel. Their input has continued in the form of a Research Advisory Committee. The Secretariat is structured in such a way as to ensure that these key stakeholders – workers and employers – have a role in recommending and approving research proposals that meet the criteria adopted by the Panel. I believe this will provide knowledge and solutions for critical workplace injury and disease issues, and will be an important legacy for the people of British Columbia.

The Board has fulfilled its legislative mandate to provide fair compensation and monitor the workplace for the prevention of injury. Year 2000 also marked the efforts of many different groups to make the system work better. The staff at the WCB deserves recognition for bringing about many service improvements, some of which I have described above.

On a personal level, I was greatly helped by my predecessor, Don Cott, who left the Board in May to take up a position in the private sector. In this past year, Val Mitchell and more recently Claire Dansereau have left the Panel. Their contributions will be greatly missed. The remaining Panel members, Wolfgang Zimmermann, Eric Mitterndorfer, and George Heyman have provided me with the wisdom of their experience and the insight of their communities, for which I am grateful.

The coming year is perhaps the most challenging one the Board will be facing in some time. It is in everyone's interest that the human and financial costs of workplace injury and disease are lower this year than last. It's also in everyone's interest that the Board is accountable for its part in ensuring that injured workers and their employers receive the best service possible. I look forward to reporting to you throughout the year about the progress all stakeholders are making in achieving our combined goals.



Maureen Nicholls

Chair, Panel of Administrators
Workers' Compensation Board of B.C.

Divisions reporting to Chair

Medical Review Panel

Workers and employers have the right to appeal to a medical review panel if their requests meet statutory requirements. Independent medical review panels examine workers and issue conclusive and binding medical decisions. Dependants of deceased workers may also request a review by a medical review panel.

In 2000, the Medical Review Panel's intake remained relatively stable with 492 complete applications, of which 72 percent proceeded to a panel examination. Sixty percent of the year's applications resulted from Appeal Division decisions, while 21 percent concerned claim adjudicator decisions, 14 percent appealed Review Board findings, and five percent were WCB referrals.

The year brought higher than anticipated staff turnover and key vacancies at the officer level. This resulted in the constitution of fewer panels. In 1999, 435 panels examined 405 workers, compared with 335 panels examining 306 workers in 2000. Despite the staff turnover, the Medical Review Panel (MRP) Department prevented a backlog from rebuilding, and the median appeal processing time dropped slightly from 10.8 months in 1999 to 10 months.

The primary medical disputes were orthopedic surgery – 55 percent; strains and sprains – 17 percent; disc problems – 13 percent; chronic pain syndrome and carpal tunnel syndrome – 8 percent; and degeneration – 7 percent.

During the year, the MRP Department developed training modules for officer-level staff and delivered training to new officers. The MRP physician chairs also finalized consensus on panel conduct issues and will publish an information brochure reflecting this consensus in early 2001.

Regretfully, the year also saw the passing of Dr. Leonard Jenkins, former Vancouver General Hospital chief of anesthesiology, the first registrar of the Medical Review Panel and a trusted chair and adviser.

The MRP Department performs administrative duties mandated by the *Workers Compensation Act* and provides administrative support and training to the independent physicians who serve on the medical review panels. At year-end, 326 independent medical specialists were serving on panels in 24 medical specialties.

Policy and Regulation

The Policy and Regulation Development Bureau reports to the WCB Panel of Administrators through the Panel Chair. The Bureau provides the Panel with advice and recommendations on "public interest" policy and regulation that incorporate the views of the Board's major stakeholders. In addition, the Bureau is responsible for reviewing and providing advice on policy implications of major program and operational initiatives, and facilitating and reporting on stakeholder involvement in the development of programs and services.

In 2000, the Bureau assisted in resolving a number of longstanding and complex policy issues, including issues arising from the new employer assessment system and experience rating plan; adjudicating claims made by firefighters for heart injury/disease; selective/light employment; collecting and calculating assessments in the fishing industry; compensation for noise-induced hearing loss; and determining administrative penalty amounts.

In addition, in June 2000, the Bureau conducted a public hearing on proposed amendments to the environmental tobacco smoke regulation in four locations across the province. At year-end, the Bureau was reviewing nearly 600 submissions received during the hearing with assistance from internal and external experts.

The Bureau resolves policy issues through consultation with its stakeholder committees and, where necessary, with support from external medical/scientific experts. The Bureau's stakeholder committees are the Policy Development and Consultative Committee, the Occupational Disease Advisory Committee, the Health and Safety Advisory Committee, the Occupational First Aid Specialty Committee, and the Occupational Exposure Limits and Designations Specialty

Committee. In addition to consulting with these stakeholder committees, the Bureau continues to expand its outreach to the broader stakeholder community and the general public.

Director General Louise Logan moved on to new career opportunities in 2000. The Panel of Administrators acknowledges the significant contribution that Ms. Logan made to cooperative policy consultation and development during her time with the Board. Ajit Mehat assumed the position of Director General in January 2001. Under the new Director General's leadership, the Bureau aims to strengthen its consultation with internal and external stakeholders, proactively identify and analyze emerging issues, consolidate its past successes, and incorporate best practices into its processes.

Research Secretariat

Another notable activity for the year was the establishment of a Research Secretariat to manage the WCB's research reserve. The structure of the Secretariat was developed through broad consultation with stakeholders in the worker, employer, and research communities, as well as with research organizations in Canada and abroad.

Anya Keefe was appointed Director of the Secretariat and Richard Gallagher was appointed Chair of the Research Advisory Committee (RAC). Under Ms. Keefe's direction, the RAC and the Research Priorities Committee were established.

The Secretariat's mandate is to bring focus and governance to research and related expenditures at the WCB, and to ensure accountable scientific study and the dissemination and application of research outcomes. This past year, the Secretariat developed processes for grant application and review, identified research priorities, and launched its first research competition. The first grants will be distributed in June 2001.

Appeal Division

The year 2000 was a significant one for the Appeal Division. For the first time, appeal decisions are available to the public. Beginning with decisions issued since January 1, 2000, all decisions of the Appeal Division will be available on the WCB's web site at www.worksafebc.com.

This implements a recommendation of the Royal Commission on Workers' Compensation in British Columbia. The recommendation concluded "granting the public full access to 'de-identified' decisions will help to promote consistency and predictability throughout the claims adjudication and appeal systems." None of the decisions on the Internet identify the parties involved.

Also, the Appeal Division issued 2,077 decisions in 2000 — more than in any year previously. The Appeal Division issued 2,020 decisions in 1999, and 2,035 decisions in 1998. The average number of decisions issued by the Appeal Division annually from 1992 to 1999 was 1,843.

John Steeves became Chief Appeal Commissioner in March 2000, and began his duties with an established, well-regarded appeal tribunal. The challenges facing the Appeal Division at that time included delays in scheduling oral hearings and the commencement of employers' cost-relief appeals, as well as the timeliness of authorizations for representatives of parties. All these matters have either been resolved or will be resolved in the coming months through processes now in place. A complete review of, and public consultation regarding, the Appeal Division's practice and procedure decisions and directives is currently underway with the objective of having this review completed in late spring 2001.

With regard to the future, the Workers' Compensation Review Board has recently experienced substantial growth in decision-making panels, which we expect to result in a significant increase in the number of Section 91(1) appeals to the Appeal Division. During the past four years, Appeal Division decisions on appeals from Review Board findings have represented, on average, 68 percent of decisions issued by the Appeal Division each year.

Message from the President

In 1995, the Workers' Compensation Board of British Columbia established a five-year strategic plan with specific goals to reduce B.C.'s injury rate and improve service and performance. Five years later I am pleased to report that the province's injury rate has declined 17 percent and now stands at a historic low of 4.0 accepted short-term disability claims per 100 person-years worked. As a result, 13,554 fewer workers were injured and employers saved approximately $145 million in premium costs in 2000.

Our financial performance has improved significantly as well. The WCB entered 1995 in an underfunded position and employers paid an average premium rate of $2.29 per $100 of assessable payroll. In 2000, the WCB was 109 percent funded and the average premium rate had dropped to $1.75 – the lowest in the past decade.

The WCB has undertaken several operational and structural changes to increase our service levels. According to injured workers' service satisfaction ratings, our efforts are meeting some success. Since 1995, this rating has increased by 30 percent from 6.0 on a 10-point scale to 7.8 in 2000.

During 2000, our work to improve service continued on many fronts. We launched the Employer Service Strategy and ER2000, the WCB's new insurance program. A more equitable experience rating system, ER2000 provides employers greater financial incentives to improve workplace health and safety and accommodate injured workers with modified return-to-work plans. The Prevention Division opened the Small Business Service Centre, designed to assist employers with fewer than 20 workers to improve their workplace health and safety performance. Approximately 90 percent of registered employers operate small businesses. In Compensation Services, we launched the Adjudication Quality Initiative and established a process for continual quality review of claim files.

Our 1995 strategic plan also included a goal to increase the WCB's public contribution index, which we have achieved. As measured annually by Ipsos-Reid polls, the WCB's public contribution index rose from 51 percent in 1996 to 67 percent in 2000.

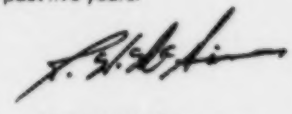
The WCB has undergone a transformation in order to achieve our strategic goals, but we have never lost sight of the importance of accountability, service quality, and managing risks. Consequently, we are continually developing and refining ways to measure our performance. And the Board's senior executive team shares these results with employers, workers, and staff through a province-wide tour. The senior executives delivered more than 40 of these presentations in 2000.

Our investment in information technology over the last five years has enabled the Divisions to mine the Board's diverse and extensive databases to develop strategies focused on prevention efforts as well as to improve service by having immediate access to claim file information and employer registration information.

Our consultation efforts have expanded to allow greater stakeholder input on policy and practice directive development. Since 1995, we have opened an Ombudsman Office and a Risk Management Department, both of which act as early warning services and allow us to address emerging operational or industry issues proactively. In 2000, we also opened the Special Investigations Branch to further minimize the WCB's exposure to fraudulent activity.

The WCB has achieved much over the past five years but we have much more to accomplish. In the coming year we will need to explore new and innovative ways to meet increasing service expectations, reduce claim duration, increase adjudication quality and return-to-work, and contain costs. More importantly, we will need to build on our WorkSafe™ efforts to prevent workplace injury, disease, and death, and to increase British Columbians' awareness of the differences we all can make to prevent such unnecessary loss and suffering.

To accomplish this, we must constantly strive to improve our financial picture, stakeholder contribution, and staff commitment. On that note, I would thank all of WCB's staff for their hard work and continued support in achieving the goals we set during the past five years.



Ralph W. McGinn, P.ENG.

President and Chief Executive Officer
Workers' Compensation Board of B.C.

Accountability

The WCB is creating greater accountability with its stakeholders.

We're achieving this through the cooperation of industry associations, ensuring all employers pay their fair share, and by directing prevention efforts where they are needed most.

WorkSafe™

It's in everyone's interest

Accountability

Fulfilling our commitment

The Prevention Division is responsible for ensuring compliance with the Occupational Health and Safety Regulation, thereby minimizing the risk of workers getting injured on the job. Using a combination of education, outreach, and enforcement strategies, the Division aims to provide equitable service to all employers and workers.

The first step in fulfilling the Board's commitment to workplace health and safety is knowing where and how to focus Prevention efforts. In 2000, the WCB developed a statistical model that provides greater detail on the extent of severity and cause of injuries. In addition, the WCB now tracks injury activity by industry sector and region to target its resources and focus on those sectors and employer and worker groups most in need of attention. In 2001, Prevention will build on these advancements to further enhance targeting efforts.

Stakeholder involvement is also part of the process to effect change and prevent injury. Reducing the province's injury rate is in the interest of everyone and in 2000, the Prevention Division continued its work in supporting employers' ownership of health and safety in their workplaces.

During 2000, the Prevention Division worked closely with employers and workers to assist in establishing the Prince George-based B.C. Logging Health and Safety Agency (BCLHSA). As with other established associations, such as the Farm and Ranch Safety and Health Association (FARSHA) and Safety and Health in Arts Production and Entertainment (SHAPE), the BCLHSA develops and delivers training programs to assist the logging industry in meeting its obligations under the regulations. Prevention also assisted the Council of Construction Associations (COCA) with determining intervention strategies that the council could pursue in improving its industry's injury rate.

The number of industry sectors interested in establishing associations regarding workplace health and safety is rising. At year-end, the Prevention Division was involved with the roadbuilding, roofing, and piledriving industries in helping them establish their health and safety associations.

Reducing the injury rate depends on stakeholder partnerships and joint initiatives. The Prevention Division will continue pursuing partnerships to effect change and save lives. Employers and workers are best positioned to reduce injuries and deaths and improve return-to-work outcomes when they work collaboratively.

Working in an ethical manner

British Columbians hold public agencies accountable for conducting themselves in the most ethical manner. To assure stakeholders that our business is conducted fairly and ethically, the WCB established ethical standards, delivered employee education programs, and developed a resolution mechanism to address potential ethical issues.

Ethical behaviour is not achieved by the simple adoption of standards but by the continual reinforcement of such behaviour in the workplace, creating expectations of appropriate behaviour, and advising and guiding individuals who deal with real-life ethical issues in the course of their work.

In 2000, the first year of WCB's Ethics Program, staff received training in the Board's ethics policy and standards of conduct. Because of this training, WCB employees are now aware of the standards and the mechanism by which to raise any potential conflicts of interest.

Establishing an equitable and fair system

The WCB is committed to administering the *Workers Compensation Act* in a fair and equitable manner, which includes ensuring employers are registered with the Board. In 2001, the Board will continue to determine the registration eligibility of firms and bring those firms that require a business registration into compliance.

Once registered, employers are responsible for paying their fair share of the system's insurance

costs, and the Board's duty is to ensure that firms make their payments. In 2000, the Finance Division introduced a new accounts receivable system and new methods of assigning high-risk accounts to collections to promote early intervention. These changes resulted in improvements in collections.

Measuring and reporting on performance

Since 1995, the WCB has increased and is continually refining its performance measurement methods, while expanding efforts to report results to stakeholders. Today, the WCB measures its progress against four key areas: client satisfaction, client service, finance, and leadership. These measurement tools are available because of our significant investment in information systems. Further accountability measures are being developed as the result of recommendations made by the Board-requested B.C. Auditor General's accountability review.

The WCB publishes a monthly report of key performance results for the Panel and stakeholders to review. In addition, the WCB's senior executive made more than 40 public presentations in 2000 to promote open discussion on workplace safety in communities around the province and to share information on the Board's work, goals, and progress.

One of WCB's key performance indicators is client satisfaction. The Board tracks service satisfaction levels of injured workers. Workers currently rate service satisfaction at 7.8 on a 10-point scale. Of the 167,000 registered employers who were reclassified and obtained new assessments, 86 assessment appeals have been received at the Appeal Division.

Another indicator of satisfaction levels is the number of claims appealed. For this reason, the Compensation Services Division commissioned a study to review the quality of claim files appealed to the Review Board. As a result, new training and adjudication quality initiatives were implemented in 2000 to address service quality issues. The WCB is continuing its adjudication program with ongoing reviews of claim files and reporting on activities and results to the employer and worker communities.

Meeting professional standards

The WCB has set itself the goal to achieve a 90-percent accreditation or internal certification level for professional officer staff by the year 2003. In 2000, the Human Resources Division commenced the identification and selection of accreditation bodies and began tracking employee certification status. This identification process and future development of internal certification programs will ensure that our senior officers meet the professional standards expected of them.

A related initiative is the Leadership Development Program, which is designed to provide WCB managers with tools and strategies to enhance their management skills. The program fundamentals are based on understanding the WCB's core competencies and values, and are aimed at providing client-driven and value-added service.

Reflecting the province's diversity

The WCB is committed to employment equity, particularly in reflecting the province's diversity in its employee population. For the most part, the WCB has achieved this goal through its Employment Systems Review, with excellent representation of women and visible minorities. However, the year's employee profile numbers are average for persons with disabilities and below average for aboriginal persons. In 2001, the WCB will be making a concerted effort to attract qualified individuals from these two groups to apply for employment opportunities as they arise.

WCB Ombudsman Office

The WCB Ombudsman Office deals with complaints concerning the Workers' Compensation Board. Acting as a neutral body, the Office assists individuals or groups to resolve issues of alleged unfairness concerning decisions and recommendations, acts done or omitted, procedures, practices, and regulations.

The Office's case volume, which has increased annually since it began operating in 1996, is attributed to heightened awareness of the Office's services. A rise in referrals and changes in WCB regulations, services, and systems contribute to its increasing caseload.

In 2000, the Ombudsman Office opened 2,175 cases, including 202 re-openings, for a 33 percent increase from the 1,637 cases opened in 1999. Workers made 77 percent of all inquiries and complaints; however, the percentage of employer complaints increased from 1 percent in 1997 to 4 percent in 2000. Due to efficiencies, the average duration for resolving cases decreased from 18.7 days in 1999 to 16.3 days in 2000. At year-end, 287 active cases remained opened.

Also in 2000, the WCB Ombudsman Office addressed the administrative recommendations made in the 1999 provincial Ombudsman's Public Report #37. The Office will continue working on the outstanding recommendations that require policy change in 2001.

Case Volume

Division	New Cases Opened	Percent
Compensation Services	1,505	76.28
General	244	12.37
Appeals	104	5.27
Assessments	69	3.50
Prevention	47	2.38
Executive	4	0.02

Service Quality

Safer, healthier workplaces are in the interest of everyone.

At the Board, we work to prevent accidents from happening. But when they do, we assist employers in managing their claims, and help workers safely return to work.

WorkSafe™

It's in everyone's interest

Service Quality

Improving adjudication quality

A primary focus for the Compensation Services Division in 2000 was improving the quality of claim adjudication and management to ensure that service is provided in a fair and equitable manner, consistent with the intent of the *Workers Compensation Act*. With the goal of providing the right person with the right benefits for the right amount of time, the Division implemented the Adjudication Quality Initiative and conducted the most comprehensive claim review in a decade.

Compensation Services established a director and three regional managers of adjudication quality, as well as quality case managers, vocational rehabilitation managers, and medical advisers for most of the large claim units, to lead the initiative. These experts are responsible for monitoring and analyzing the quality of adjudication work, training adjudication decision-makers, and providing staff advice on difficult policy and adjudication issues. They conducted approximately 10,000 in-depth file reviews, half involving short-term disability claims and the other half vocational rehabilitation files.

Through these reviews, Compensation Services found opportunities to improve training and development of new adjudication staff and identified caseloads where the volume and complexity of cases prevented staff from properly performing their duties. Work to address these issues, including improved training, began in 2000. The Division also introduced an electronic compensation and rehabilitation reporting system (CARRS) that produces detailed claim and performance statistics for each claim unit on a daily basis. Combined with new monthly reports on claim duration, CARRS equips Compensation Services managers with the up-to-date information they need to plan staff resources and address business processes in a proactive manner and, ultimately, to improve the efficiency and quality of the Board's adjudication work.

As part of the Board's continuing evaluation of programs, the WCB's Internal Audit Department also reviewed files in the Entitlement Unit during 2000. This review encompassed adjudication quality and business processes, providing a benchmark for management action plans in 2001. The standards established by the Adjudication Quality Initiative and the techniques used to analyze and monitor the quality of decision-making, will be subject to regular, ongoing review by Internal Audit.

Making changes in efficiency

In 2000, the Compensation Services Division also aimed to improve the efficiency and work capacity of the Disability Awards and Vocational Rehabilitation departments.

The Division commissioned a team of UBC researchers to conduct a detailed review of the Disability Awards business process and create a model to test various ways to improve the workflow. Significant service improvements, including the elimination of the hearing-loss claim backlog, have been achieved as a result of this work. Overall, Disability Awards completed 25 percent more claims in 2000 than it did in the previous year and, in spite of significant volume increases, reduced its total backlog by 12 percent.

In 1999, Compensation Services re-established its vocational rehabilitation staff to 1998 levels, which produced positive results in 2000. The number of initial assessments increased almost 20 percent in 2000. Using a new computerized labour market database, vocational rehabilitation consultants had better and easily accessible job availability information to assist injured workers secure new employment. By year-end, 1,750 vocational rehabilitation clients had returned to work, up 5 percent from 1999.

The Compensation Services Division also initiated an experiment in sectoral alignment during 2000. Through consultation with employer and worker representatives, the Division assigned select large firms a dedicated entitlement officer and case manager. In 2000, for example, one Board case manager was assigned to handle all claims for the Okanagan Similkameen Health Region. Early results are positive. This dedicated assignment facilitates increased adjudication quality and a more productive

working relationship with improved return-to-work rates for injured workers and lower claim costs for the employer.

In 2001, the Entitlement Unit will further centralize its servicing of the fishing industry to address its members' unique needs and increase the consistency of adjudication. These efforts form part of a larger initiative the Division will pursue in 2001 to improve communication with injured workers.

Providing employer incentives

In 2000, the WCB introduced ER2000 — its new experience rating program. The culmination of several years' work and consultation, ER2000 benefits both employers and workers. The new system offers employers improved control over their insurance costs and greater cost advantage over their competition. Employers can now earn discounts of up to 50 percent for excellent performance, while poor performers could attract surcharges of up to 100 percent on their base premium rate. By providing increased financial incentives, the system encourages safer, healthier worksites, and return-to-work opportunities for injured workers.

ER2000 also recognizes the unique needs of small business. Under the old experience rating program, a single injury could shift a small business from a maximum discount to a maximum surcharge. Under ER2000, such fluctuations in a firm's experience rating are not possible, unless the small business sustains a long-term trend of injury costs.

The combined result of ER2000 and the WCB's reclassification of all 167,000 registered firms is a more equitable assessment system in which employers pay a fairer share of the costs. At year-end, the new experience rating program had already produced a balance between employer surcharges and discounts, whereas in the past the WCB typically paid out $35 to $40 million a year more for discounts than for the surcharges collected.

Public consultation on the experience rating plan led to a commitment by the Board to develop an additional incentive program. This program would reward employers for reducing work-related injuries involving wage loss, particularly those that involve severe injuries as measured by claim duration. Developed and administered by the Prevention Division, the pilots are exploring community, industry association, individual employer, and focus firm models of approach. The pilots began in the spring of 2000 and will conclude at the end of June 2001. Some participants may receive a financial incentive.

Meeting the needs of small business

Small business accounts for the vast majority of the WCB's clients. Approximately 90 percent of employers registered with the WCB operate a small business with 20 or fewer employees. These firms account for 25 percent of all short-term disability claims. Moreover, since 1993, the number of small businesses has increased almost 18 percent in B.C., and it is anticipated that this increase will continue in the future.

The WCB recognizes that small businesses have specific occupational health and safety issues and requirements that set them apart from larger firms. To address these issues, the Prevention Division established a Small Business Service Centre in 2000. Working in consultation with small business associations, the Centre is developing strategies and tools to assist small businesses to understand and comply with the Occupational Health and Safety Regulation. In 2000, the Centre produced an information booklet for small business and, in 2001, is working with industry representatives to produce practical, user-oriented health and safety guides designed to address small business needs in specific sectors.

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Expanding into e-business services

The WCB's web site, WorkSafe™ online, www.worksafebc.com, offers an extensive library of information on the WCB, the workers' compensation system, and workplace health and safety. In 2000, it became the first site of its kind in Canada to offer employers self-serve options. As an information resource, the site attracted more than 20 million visits.

Employers can now register with the WCB or obtain clearance letters for subcontractors at their convenience using WorkSafe™ online. During 2000, 1,445 employers applied for registration online and the WCB issued more than 50,000 clearance letters electronically for 22,725 requestors.

Key documents, including policy manuals, forms and guidelines, are now available online. The site contains links to recent Appeal Division decisions and provides access to the WCB Library catalogue, increasing accessibility to research materials. The WCB plans to expand its web site's services with an online service application that will allow employers to submit injury and accident investigation reports via the Internet. Employers will also be able to check their WCB records online.

Both employers and workers will have access to more information and tools for improving workplace health and safety with the introduction of a new Prevention Division portal site within WorkSafe™ online. The prototype, developed in consultation with stakeholders in 2000, focuses on providing practical tools and industry-specific information on preventing occupational injury and disease.

Planning for the future

Ultimately, the WCB's ability to provide reliable and timely service depends on having the right employees in place at the right time. In 2000, the WCB implemented a new electronic system that will help the organization ensure just that. The system enhances the Board's ability to manage staff levels at a department level, provides key information online to employees and managers, and allows it to conduct long-term human resources planning on a cross-divisional basis.

Managing Risks

We are working on ways to minimize the risk of injury or disease.

From a broader view, the WCB is focusing on risk management to protect the system and the rights of all employers and workers in B.C.

WorkSafe™

It's in everyone's interest

Managing Risks

Reducing injury rates

Over the past five years, B.C.'s injury rate has declined 17 percent. Had the injury rate remained the same, 13,554 more injuries would have occurred. The WCB WorkSafe™ strategy is working because of the involvernent and interest of employers and workers. However, certain groups remain at high risk for occupational injury and disease.

The Prevention Division has developed a "focus firm" strategy, where the Division works closely with identified employers to assess, enhance, and monitor their occupational health and safety programs. Focus firms have experienced an 18 percent reduction in claims since the strategy's implementation in 1998. Moreover, the firms successful in reducing their injury are working with the WCB to share their programs with others in their industry.

Some industries also have higher risk profiles. In 2000, the WCB continued to target Prevention field resources on B.C.'s six high-risk sectors: construction, forestry, forest products manufacturing, heavy manufacturing, health care, and hospitality. These concentrated efforts are producing positive results — five of the six industries have lowered their injury rates.

Young workers represent 15 percent of B.C.'s workforce. They also represent the most vulnerable members of the workforce — especially young males, who are 50 percent more likely to be hurt on the job. Through a combination of educational programs in the schools, outreach to employers and workers, and inspection activities, the Prevention Division has raised awareness about the unique position and needs of young workers. Consequently, the group's injury rate has dropped 33 percent since 1994.

B.C.'s workforce is showing its age. The 15 percent of claims from workers under age 24 account for less than 9 percent of the short-term disability days paid, whereas the 14 percent of the claims from workers over age 50 account for nearly 20 percent of the short-term disability days paid.

Currently, soft-tissue or musculoskeletal injuries (MSIs) account for one-third of all WCB claims. Since 1998, when the new ergonomic regulations took effect, the MSI rate has decreased 10 percent — but more needs to be done to prevent debilitating sprains and strains. In 2000, field officers were trained in the principles of MSI prevention and a strategy was developed to address MSIs in the health care and forest products manufacturing industries. This strategy will be expanded to heavy manufacturing in 2001.

Managing risks also requires monitoring and planning for emerging risks, including increasing injury rates. An improvement in the WCB's information systems has allowed the Prevention Division to conduct more detailed research and detect workplace health and safety issues earlier and with greater accuracy. Research conducted in 2000 indicates the need for the WCB to work with emerging high-risk industries such as homemaker services, construction labour supply, and fish processing to develop strategies that will reduce the risk of injury or illness.

Minimizing the risk of claim duration

Research shows that injured employees who remain off work for six months or longer have only a 50 percent chance of returning to productive employment. Without concerted efforts to help injured workers return to their jobs or modified employment, long-term disability claims and pensions will continue to pose significant financial risks to the WCB and employers. Consequently, the WCB launched a disability management pilot project in 2000.

The WCB worked with Brewers' Distributors management and union to design a disability management program for the early and safe return to work of injured employees. The pilot produced protocols, procedures, and templates that can be easily adapted for other firms, and the WCB anticipates promoting this program following the pilot's successful conclusion in 2001.

A related initiative focuses on providing early and expanded first aid intervention to reduce injury severity and time-loss claims. Designed to address short-term and less severe injuries, pilot projects tested how first aid programs could work proactively

to apply appropriate disability management practices and assist injured workers to return to work. The pilots completed in Kelowna and Surrey produced promising results. Participating firms achieved reductions in health care-only claims ranging from 22 to 91 percent, while short-term disability claims dropped 16 to 100 percent.

Soft-tissue injuries, especially those involving low-back pain, present significant costs to the system. Soft-tissue injuries comprise 30 percent of all WCB claims and, as B.C.'s population ages, the number of claims will likely increase unless preventive action is taken. In addition, the cost of treating low-back pain is disproportionately high when compared with other injuries.

To minimize the risks and provide injured workers their best chance of returning to work, the Workers' Compensation Boards of B.C. and Alberta commissioned an award-winning study to develop assessment tools for predicting the likelihood of an injured worker with low-back pain returning to work within three months of injury. The resulting model has an 80 percent accuracy rate and allows the WCB to further refine services and address return-to-work barriers earlier in the recovery process. This study will continue in 2001 when work begins on developing both a prediction model and treatment strategies.

Another study conducted by the WCB of B.C. produced a duration prediction model that allows the WCB to assess duration risks for its entire claim inventory and determine the external and internal factors driving duration. Today, the WCB has better quality information on claim duration than it ever had previously. It will enhance efforts with stakeholders to jointly tackle the issue of claim duration and continue this year's success in reducing the average claim duration from more than 52 days in 1999 to less than 51 days in 2000.

Focusing on risk management

The WCB's Risk Management Department completed its first year of operation in 2000. The department's mandate is to reduce the WCB's exposure to underwriting risk by detecting emerging trends, cost drivers, and external factors that place industry rate groups at financial risk; to develop and promote strategies to reduce loss; and to provide risk management support products and services. The first department of its kind in the Canadian workers' compensation system, this group acts as the WCB's early warning system.

During 2000, Risk Management established its operational foundation and conducted several studies. Using the WCB's data mining technology to discern otherwise undetectable trends, the department succeeded in pinpointing industry problem areas and sharing this information with WCB divisions and affected stakeholders through their industry associations and published Risk Alert reports. Much of the year's work concentrated on health care, roofing, shipbuilding, heavy construction, and fishing; however, the department also developed risk management tools for other WCB service departments.

Protecting the system from fraud

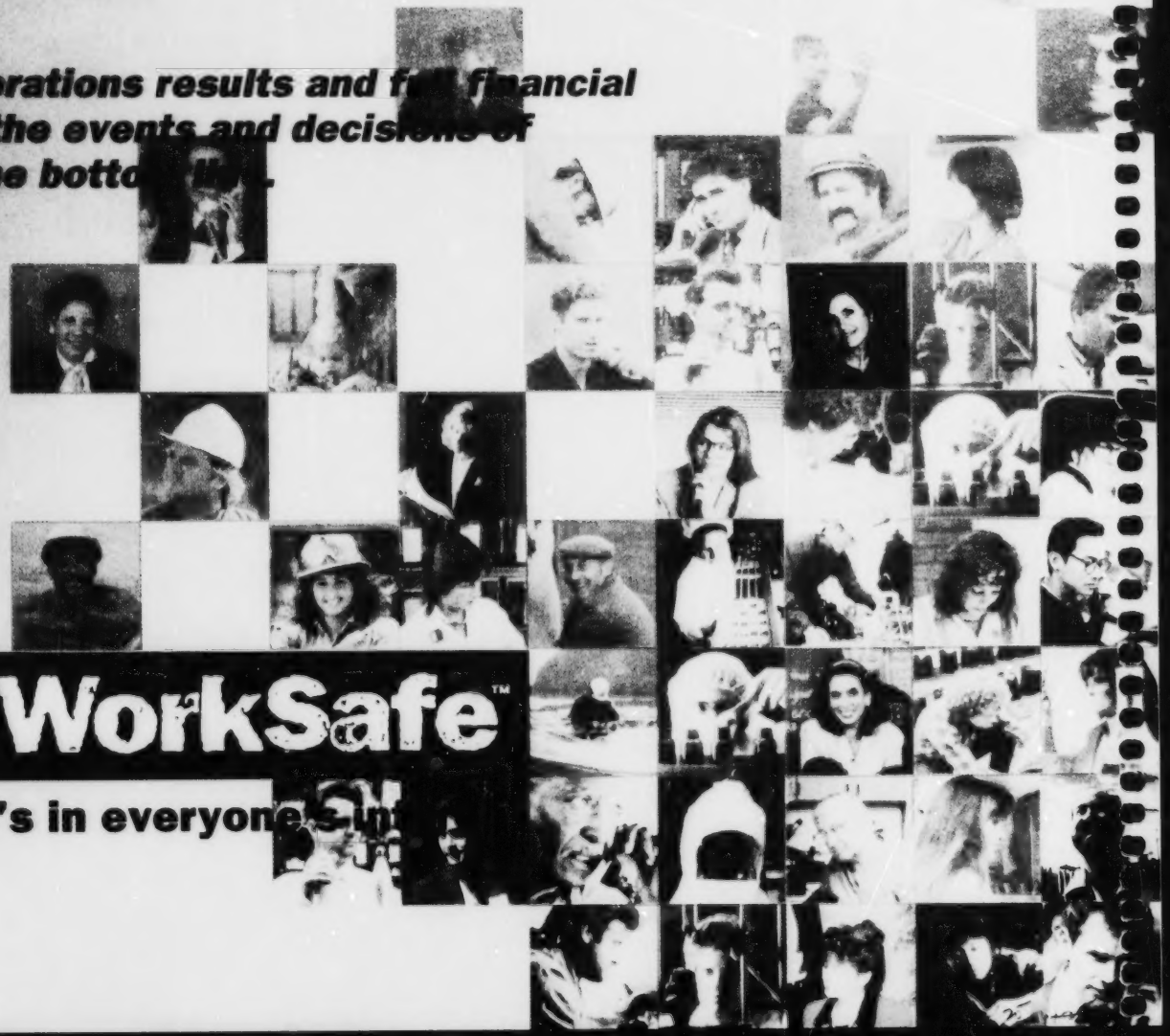
Following consultation with employer and worker representatives, the WCB formed the Special Investigations Branch (SIB) in June 2000 to investigate suspected fraudulent activities involving contractors, service providers, employers, workers, and WCB employees. The SIB assists other WCB departments, such as Internal Audit and Field Investigations, in their work and operates a toll-free telephone line that individuals may use to report suspected fraud.

During its first six months of operation, the SIB received 414 reports, of which 311 resulted in active investigations. The majority of these investigations were ongoing at year-end. Through the detection, investigation, and prevention of fraud, the SIB is protecting the rights of all B.C. employers and workers, and ensuring equity within the workers' compensation system.

The SIB's toll-free line is 1 877 523-3315.

Finances

The WCB report on operations results and full financial review discloses how the events and decisions of 2000 have impacted the bottom line.

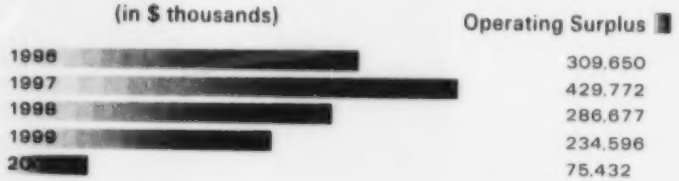


Management Discussion and Analysis

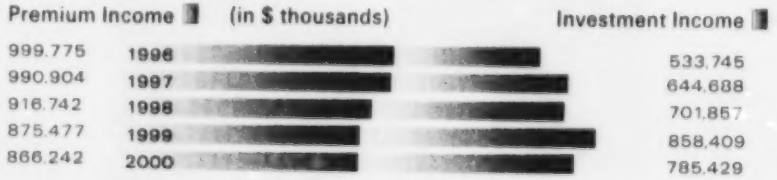
2000 Overview

Results of Operations

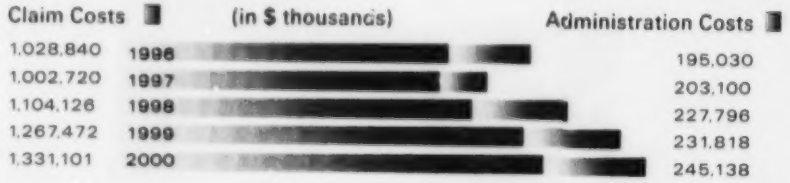
The Board recorded an operating surplus of $75 million in 2000, compared with a surplus of $235 million in 1999. The lower surplus reflects lower premium rates and net assessment revenue, lower investment income, and higher claim costs.



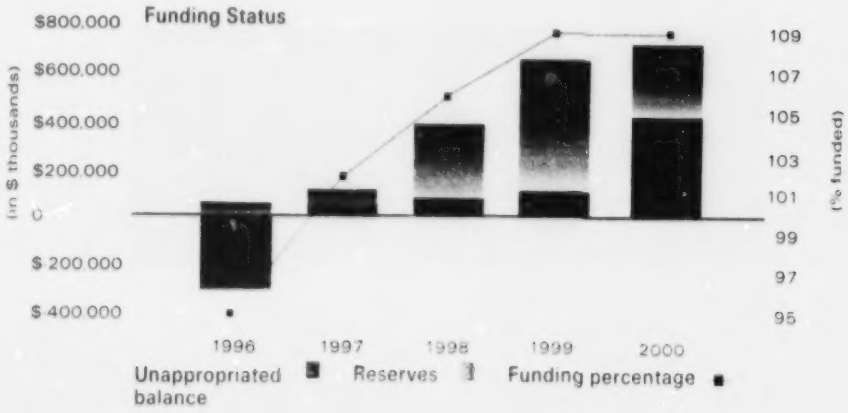
Total income decreased 4.7 percent to $1,652 million. Premium revenues totalled $866 million compared with $875 million last year. Investment income declined 8.5 percent from 1999 to $785 million, the result of the downturn in the equity financial markets in the latter part of the year.



The cost of claims increased 5 percent to $1,331 million, the result of increased claims registered during the year, as well as an increased number and average value of long-term disability awards. Claim duration decreased to less than 51 days, down from over 52 days in 1999. During the year, a change in the basis for benefit liability valuation that increased the discount rate from 3.0 percent to 3.5 percent lowered benefit liabilities and claim costs by $476 million. The Board also made full provision for future claims administration costs of $401 million, in keeping with emerging generally accepted liability valuation practice. The net effect of these two changes was a reduction of $75 million in claim costs. Administration costs increased $13 million, with depreciation of major computer systems projects accounting for $12 million of that increase.



WCB's funding level at the end of 2000 was 109 percent, the same as in 1999. During the year, a reserve for claims administration costs of $212 million was transferred back to the unappropriated balance account since a provision of $401 million was charged to operating expenses. As a result of the operating surplus of $75 million and the transfer of claims administration reserves of $212 million, the unappropriated surplus increased by $287 million to $421 million at the end of 2000.



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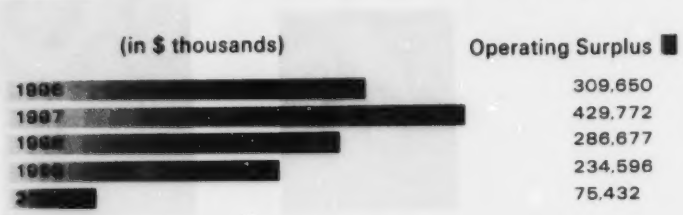

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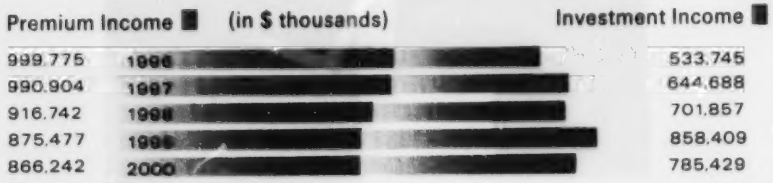

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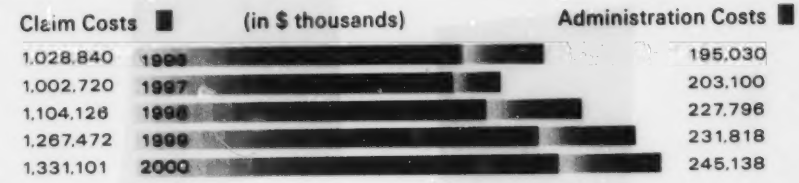

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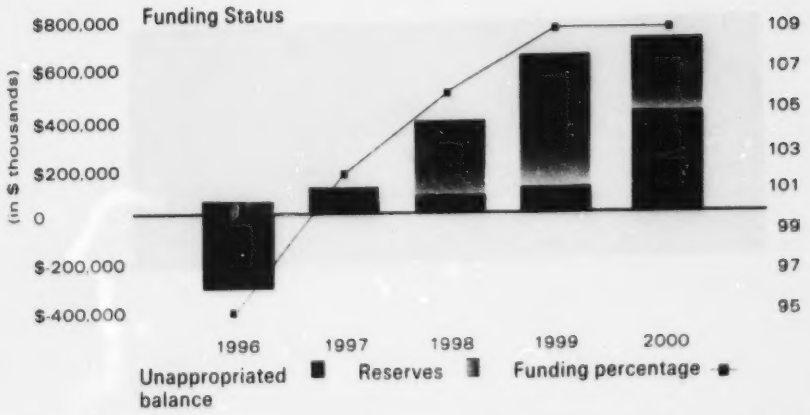

Summary of Key Contributing Factors to 2000 Operating Results

Key Contributing Factors to 2000 Operating Results	2000	1999	Inc. (Decr.)
1) Premium revenue deficiency over current-year costs	$ (281)	$ (218)	$ (63)
2) Investment income in excess of liability requirements	$ 348	$ 486	$ (138)
3) Lower (higher) actuarial liabilities than previously anticipated	$ (65)	$ (33)	$ (32)
4) One-time adjustments to revalue liabilities	$ 73	$ –	$ 73
	$ 75	$ 235	$ (160)

The cost of current year injuries exceeded premium revenues by $281 million; $100 million of this deficiency is due to special allowances for the gradual transition to higher rates for restructured rate groups. Claim costs related to prior years were adjusted upwards by $65 million due to higher than previous actuarial calculations, primarily reflecting higher pension awards. Although investment income exceeded liability requirements by $348 million, this excess is substantially lower than in previous years due to the poor performance of financial markets in 2000.

One-time changes were made in 2000 to increase the discount rate used in liability valuation and to fully provide for the future administration costs of existing claims, with a net impact of improving the operating results by $73 million. Both of these adjustments are further described in the notes to the financial statements.

Operating Expenses

Claim costs totalled $1,331 million in 2000, an increase of 5 percent or $64 million over 1999. Excluding future claims administration and discount rate change, the costs of current year's injury claims were $904 million, $38 million higher than in 1999; claim costs for prior year's injuries increased $102 million to $503 million.

Operating expenses totalled $245 million, an increase of 5.7 percent or $13 million from 1999, accounted for mainly by a $12 million increase in depreciation expense related to capital expenditures for replacement of obsolete legacy computer systems.

Balance Sheet

The Board's balance sheet at December 31, 2000 has an unappropriated balance of $421 million, an increase of $287 million over 1999. Assets totalled $8,264 million or 8.1 percent more than last year. Total liabilities rose 7.8 percent to $7,554 million. Net assets were $711 million at year-end, representing reserves of $290 million and $421 million in unappropriated surplus.

Portfolio Investments

Total portfolio investments in 2000 were $7,686 million (1999: $7,109 million) with a market value of $8,313 million (1999: $8,361 million). Deferred investment gains at December 31, 2000 were $682 million (1999: $1,253 million). Realized and unrealized deferred gains and losses are amortized to income over five years as described in Note 5 to the financial statements.

Risks

The reader of these financial statements should be aware of the major risk exposures to the WCB.

Financial Risks

The weakness of financial markets worldwide is a concern. As the U.S. economy moves closer to recession

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Financial Risks

The weakness of financial markets worldwide is a concern. As the U.S. economy moves closer to recession

and investor confidence wanes, an appreciable recovery seems unlikely to occur in 2001. As a result of a smaller cushion of deferred investment gains, a second year of poor financial returns will put pressure on the Board's operating results in 2001. The Board has a conservative and well-diversified asset allocation policy that provides both liquidity and opportunity to participate in longer term market gains.

A majority of the Board's liabilities for future payments to claimants are indexed to the consumer price index by legislation. Every one-percent increase in inflation directly impacts costs incrementally by approximately $65 million a year. In addition, almost $1 billion in liabilities related to future health care cost is subject to potentially large increases since these costs have been exceeding the CPI by wide margins. The cost of health care is one of the fastest growing cost segments of the Board's expenses.

The Board's interest rate policy for an ever inceasing number of retroactive awards or refunds is increasingly becoming a financial challenge. The financial impact on the Board's operations may be significant depending on the number of awards and the retroactive periods involved.

Financial Review

Responsibility for Financial Reporting

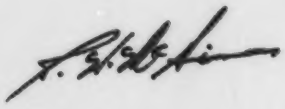
Management of the Workers' Compensation Board is responsible for the preparation of the accompanying financial statements in accordance with generally accepted accounting principles. These financial statements include some amounts based upon management's best estimates and judgments. Any financial information contained elsewhere in the annual report conforms to these financial statements.

Management is responsible for the integrity of the financial statements and has established systems of internal control to provide reasonable assurance that assets are properly accounted for and safeguarded from loss.

The Internal Audit Department performs audits designed to test the adequacy and consistency of the Board's internal controls, practices, and procedures.

The Auditor General of British Columbia, the external auditor of the Workers' Compensation Board, has performed an independent audit of the financial statements of the Board in accordance with generally accepted auditing standards. The Auditor's Report outlines the scope of this independent audit and his opinion on the financial statements of the Board.

The firm of Eckler Partners Ltd. has been appointed as the independent consulting actuaries to the Board. Their opinion on the adequacy and appropriateness of the valuation of the Board's benefit liabilities is presented as a part of these financial statements.



Ralph W. McGinn, P. ENG.
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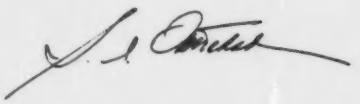

Sidney O. Fattedad, FCGA
Vice-President, Finance/Information Services
Chief Financial Officer

March 12, 2001

Report of the Auditor General of British Columbia

To the Panel of Administrators of the Workers' Compensation Board, and

To the Minister of Labour,
Province of British Columbia:

I have audited the balance sheet of the *Workers' Compensation Board* as at December 31, 2000 and the statements of operations and unappropriated balance and changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the *Workers' Compensation Board* as at December 31, 2000 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Wayne Strelioff

Wayne Strelioff, CA
Auditor General

Victoria, British Columbia
March 23, 2001

#1 #2

Balance Sheet
As at December 31, 2000 ($ thousands)

Exhibit 1

	2000	1999
Assets		
Receivables (Note 4)	407,531	369,830
Portfolio investments (Note 5)	7,686,438	7,108,502
Capital assets (Note 6)	170,501	167,365
	8,264,470	**7,645,697**
Liabilities, reserves, and unappropriated balance		
Payables and accruals	244,919	94,500
Benefit liabilities (Notes 7 and 14)	7,308,582	6,915,660
Total liabilities	7,553,501	7,010,160
Reserves (Note 9)	290,000	502,000
Unappropriated balance (Exhibit 2)	420,969	133,537
	8,264,470	**7,645,697**

The accompanying notes are an integral part of the financial statements.

Ralph W. McGinn, P. ENG.
President and Chief Executive Officer

Sidney O. Fattedad, FCGA
Vice-President, Finance/Information Services
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Statement of Operations and Unappropriated Balance
For the Year Ended December 31, 2000 ($ thousands)

Exhibit 2

	2000	1999
Income		
Premiums (Note 10)	866,242	875,477
Investments (Note 5)	785,429	858,409
	1,651,671	1,733,886
Expenses		
Claim costs (Note 8)	1,331,101	1,267,472
Operating costs		
Prevention and enforcement	41,485	42,481
Appeals, Review Board, and advisers	16,967	16,794
Other administration costs	186,686	172,543
	245,138	231,818
	1,576,239	1,499,290
Surplus from operations	75,432	234,596
Unappropriated balance – January 1	133,537	68,941
Transfer from Future Claims Administration Reserve (Notes 2(d) and 9)	212,000	–
Appropriation to Latent Occupational Disease Reserve (Notes 2(d) and 9)	–	(150,000)
Appropriation to Earthquake Reserve (Notes 2(d) and 9)	–	(20,000)
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Statement of Cash Flows
For the Year Ended December 31, 2000 ($ thousands)

Exhibit 3

	2000	1999
Cash flow from operating activities		
Annual surplus	75,432	234,596
Add/(subtract):		
Depreciation	31,935	20,266
Non-cash investment income	(476,891)	(538,367)
(Decrease)/increase in non-cash claim costs	392,922	373,499
(Decrease)/increase in working capital	125,239	31,794
Cash from operating activities	148,637	121,788
Cash flow from investing activities		
Net (purchase)/sale of fixed-term investments	224,416	153,989
Net (purchase)/sale of equity investments	(336,602)	(229,170)
Net (purchase)/sale of capital assets	(33,938)	(55,540)
Cash used in investing activities	(146,124)	(130,721)
Net (decrease)/increase in cash and cash equivalents	2,513	(8,933)
Cash and cash equivalents – January 1	(26,552)	(17,619)
Cash and cash equivalents – December 31	**(24,039)**	**(26,552)**

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Cash and cash equivalents – December 31	**(24,039)**	**(26,552)**

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Notes to the Financial Statements
For the Year Ended December 31, 2000

Note 1 — Nature of Operations

The Workers' Compensation Board administers the *Workers Compensation Act*, enacted by the British Columbia Legislature in 1917. The Act was amended by Bill 63, which received Royal Assent and was passed by the Legislative Assembly of the Province of British Columbia on August 19, 1993.

The primary functions of the WCB under the Act are promotion of occupational health and safety; compensation for occupational injury, death, or disease; rehabilitation of injured workers; collection of the funds necessary for its operations from employers covered under the Act; and management of portfolio investments in compliance with the *Financial Administration Act*.

An Appeal Division is established under the Act to make final rulings on any appeals pertaining to the Board's premium or benefit decisions.

Premium rates are established at a level to recover current operating costs and current and future claim costs arising from current claims of established classes of employers, subject to a capping policy to moderate excessive changes in rates from year to year. The Board may also levy a special premium when it is considered appropriate.

The WCB does not receive government funding or other assistance. The funding strategy of the Board is to be fully funded, with any balances in the unfunded liability or unappropriated balance to be amortized on a five-year averaging basis, through adjustments to future assessment rates.

Note 2 — Significant Accounting Policies

(a) Portfolio Investments

Fixed-term investments, having terms greater than one year, consisting primarily of bonds of the Government of Canada, various provinces, and Crown corporations, as well as fixed-term mortgage and U.S. dollar-denominated government bonds, are stated at amortized cost. Gains and losses realized on disposal of fixed-term investments during the year are deferred and amortized on a straight-line basis over a five-year period.

Equity and real estate investments are stated at market value. The amount by which market value differs from cost represents an unrealized gain or loss. Unrealized gains and losses occurring during the year, together with gains and losses realized on disposal of equities and real estate investments during the year, are deferred and amortized on a straight-line basis over a five-year period.

Fixed-term investments, having terms less than or equal to one year and consisting primarily of treasury bills and discounted bank notes, are stated at amortized cost. Gains and losses realized on disposal of these investments are recognized in the year of disposition.

Investments denominated in foreign currency are translated into Canadian dollars at the exchange rate in effect at the balance sheet date. The foreign currency exchange gains and losses for investments are recorded in the same manner as other investment gains and losses.

(b) Capital Assets

Capital assets are reported at cost and are depreciated on a straight-line basis over their estimated useful lives.

The rates used are as follows:

Buildings	20 to 40 years
Equipment	3 to 10 years
Furniture	10 years
Vehicles	5 years

Deferred costs represent the direct costs incurred in developing new operating systems that are deferred and amortized on a straight-line basis over seven years from the date of implementation.

(c) Benefit Liabilities

The WCB determines its liabilities at the end of each year for all injuries that have taken place to that time.

The Board appoints a consulting actuary who examines the benefit liabilities and the underlying assumptions and methods, and issues a report thereon to the Board. The opinion of the consulting actuary is appended to these financial statements.

The benefit liabilities represent the actuarial present value of all future benefit payments expected to be made for claims that occurred in the current fiscal year or in any prior year. The benefit liabilities include provision for all benefits provided by current legislation, policies, and/or administrative practices in respect of existing claims. They consist of capitalized values for pension awards already made, plus a provision for unfinalled claims (i.e., for future payments on claims that have not been finalized to date). The benefit liabilities have been discounted to present value, using a real interest rate of 3.5 percent (1999: 3 percent). For the first time, benefit liabilities now include the estimated liability of the future expense of administering existing claims. Although these amounts were not previously recognized in the accounts of the Board, a $212-million reserve was set up to partially provide for this cost. This change was applied prospectively and resulted in an increase of $401 million in the Board's liabilities for 2000.

As in prior years, the benefit liabilities make no provision for future claims related to long-latency occupational disease, because such a provision cannot be reasonably estimated. However, a $200-million reserve has been established to cover future claims relating to such diseases.

(d) Reserves

The $40-million Accident Fund Special Reserves established pursuant to Section 39 of the *Workers Compensation Act* are:

- Contingent Reserve (Section 39(1)(b)), which provides a reserve in aid of industries or classes which may become depleted or extinguished.
- Disaster Reserve (Section 39(1)(d)), which provides a reserve to meet the loss arising from a disaster or other circumstances that the Board considers unfair burdens to the employers in a particular class.
- Enhancement Reserve (Section 39(1)(e)), which provides a reserve for payment of that portion of a disability enhanced by reason of a pre-existing disease, condition, or disability.

Claims deemed by the Board to be covered by these reserves are charged to current operations but are prorated to the various employer classes, rather than being charged directly to any specific class.

The $30-million Accident Fund Research Reserve, established pursuant to Section 71(4) of the *Workers Compensation Act*, is a reserve for the purpose of funding initiatives in scientific study, as well as disseminating and applying ways to reduce occupational injury, disease, impairment, or disability. The $30-million reserve will remain intact, while investment income earned on the reserve will be directed to funding research. Any excess funding over expenditures in any year will be returned to the Accident Fund. The amount of investment income earned on the reserve will be based on the average annual investment yield earned on the Accident Fund. The management of and fiduciary responsibility over the reserve is indivisible from the Accident Fund and may not be transferred to any other body or organization.

The Board has established a $200-million Latent Occupational Disease Reserve relating to certain occupational diseases that may have occurred in the current or prior years but may not be reported or recognized for a number of years due to the extended latency periods of such diseases. A $20-million Earthquake Disaster Reserve was also established to provide for claims from workers that may be injured in their course of employment during an earthquake disaster.

All amounts included in the Future Claims Administration Reserve have been transferred to the unappropriated surplus to partially offset the cost of fully providing for the future expense of administering existing claims, first recognized by the Board and included in its benefit liabilities for the year.

Note 2 — continued

(e) Premium Income and Accrued Premiums Receivable

As a significant portion of premium income for the year is not received until after the year-end, the amount shown is an estimate based on statistical data. The difference between the estimate and the actual income received is credited or charged to income in the following year. Historically, the difference has not been material.

(f) Self-Insured Employers

Certain employers have been placed in self-insured classes. These employers are billed on a monthly basis for payments of short-term disability, health care, rehabilitation, and for the capitalized values of long-term disability and survivor benefits, together with their proportionate share of administrative costs.

The receivable represents a provision for future claim costs of self-insured classes for which the final settlement has not been determined; it also includes unpaid current billings.

The WCB also acts as the agent of the Government of Canada for the payment of compensation to federal employees in British Columbia. Amounts paid are recovered from the Government of Canada on a monthly basis.

Note 3 — Changes in Actuarial Assumptions

During 2000, the Panel of Administrators approved the following changes in actuarial assumptions:

(a) Discount Rate Adjustment

The discount rate, which is the real interest rate used in discounting future benefit payments to present values, has been increased from 3.0 percent to 3.5 percent to reflect higher expected real return on investments. This amendment has been accounted for prospectively with no restatement of prior year results. The effect of this adjustment has been to decrease the benefit liabilities and claim cost expense by $476 million in 2000.

(b) Capitalization of Future Administration Costs of Existing Claims

A provision has been established prospectively for the future costs of administering existing claims effective December 31, 2000. The effect of this change has been to increase the benefit liabilities and claim costs expense by $401 million. In addition, the $212-million Future Claims Administration Reserve set up in prior years has been transferred to the unappropriated balance to partially offset the initial cost of fully capitalizing the future costs of administering existing claims.

Below is a summary of the impact on benefit liabilities and surplus from operations of the discount rate adjustment and the capitalization of claims administration costs in 2000 (figures are in $ thousands):

	Short-term Disability	Long-term Disability	Survivor Benefit	Health Care	Rehabilitation	Claims Administration	Total
Discount rate adjustment	(18,874)	(399,949)	(46,956)	–	(10,193)	–	(475,972)
Capitalization of claims administration	–	–	–	–	–	400,615	400,615
Total	**(18,874)**	**(399,949)**	**(46,956)**	**–**	**(10,193)**	**400,615**	**(75,357)**

Note 4 — Receivables ($ thousands)

	2000	1999
Premiums	55,765	73,792
Accrued premiums	183,871	141,467
Self-insured employers – receivable	152,377	148,024
Premiums receivable	392,013	363,283
Self-insured employers – deposits	(13,894)	(8,773)
Accrued benefit asset (Note 12)	23,821	9,570
Other receivables	5,591	5,750
	407,531	**369,830**

Note 5 — Portfolio Investments ($ thousands)

	2000	1999
(a) Portfolio investments		
Fixed-term investments, over one year, amortized cost		
Government of Canada and federal Crown corporations	2,184,494	2,505,508
Other Canadian provinces and agencies	793,356	824,435
Corporates	357,522	381,475
U.S. dollar-denominated government bonds	196,854	144,479
Fixed-term mortgage	28,812	–
(market value: 2000 – 3,533,503; 1999 – 3,353,595)	3,561,038	3,855,897
Accrued interest	28,169	41,290
Equities, market value		
Canadian Index Fund	896,705	1,240,347
Managed Canadian equities	834,759	703,069
U.S. Index Fund	379,309	311,143
Managed U.S. equities	609,301	626,339
International equities	1,277,256	1,132,309
	3,997,330	4,013,207
Real estate, market value	445,766	227,372
Private placement pool, market value	51,778	–

Note 5 — continued

	2000	1999
Fixed-term investments, under one year, amortized cost	308,275	248,285
Canadian	–	1,674
U.S.	(24,039)	(26,552)
Bank indebtedness	8,368,317	8,361,173
	(681,879)	(1,252,671)
Deferred investment gains	**7,686,438**	**7,108,502**

(b) Deferred investment (gains) losses

Balance – January 1	(1,252,672)	(1,109,140)
Realized net (gains) for the year	(711,610)	(141,881)
Unrealized net (gains) losses for the year	807,367	(561,038)
	(1,156,915)	(1,812,059)
Amortization	475,036	559,388
Balance – December 31	**(681,879)**	**(1,252,671)**

(c) Investment income

Earned for the year	310,393	299,021
Amortization of investment gains	475,036	559,388
	785,429	**858,409**

(d) Amortization schedule of deferred investment gains

	1999	2000	2001	2002	2003	2004
Balance – January 1	(1,109,141)	(1,252,672)	(681,879)	(321,818)	(103,422)	19,175
Add:						
Current year's additions	(702,919)	95,757	–	–	–	–
	(1,812,060)	(1,156,915)	(681,879)	(321,818)	(103,422)	19,175
Less:						
Amortization of beginning balance	418,804	494,093	379,236	237,571	141,772	–
Amortization of current year's realized gains	28,376	142,322	142,322	142,322	142,322	142,322
Amortization of current year's unrealized gains (losses)	112,208	(161,379)	(161,497)	(161,497)	(161,497)	(161,497)
Total amortization credited to income	559,388	475,036	360,061	218,396	122,597	(19,175)
Balance – December 31	**(1,252,672)**	**(681,879)**	**(321,818)**	**(103,422)**	**19,175**	–

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	3,997,330	4,013,207
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Note 5 — continued

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Balance – December 31	**(1,252,672)**	**(681,879)**	**(321,818)**	**(103,422)**	**19,175**	–

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Note 5 — continued

Investment Risk Management

The Board currently invests directly in fixed-income instruments, and indirectly, through the use of pooled funds managed by the British Columbia Investment Management Corporation (BCIMC), in publicly traded equities, real estate, mortgages, and private placements. It also participates in securities lending arrangements, through BCIMC, in order to earn additional income.

Credit Risk Management

Credit risk on financial instruments arises from the possibility that the issuer of a fixed-term instrument may fail to meet its obligations. Therefore, government issuers of debt instruments must have a credit rating of at least BBB, and non-government issuers require a rating of A or higher in order to be eligible for consideration as an investment. Policy guidelines have been established to ensure that the credit ratings of fixed-income instruments do not fall below predetermined levels.

Foreign Exchange Risk Management

The Board has investments denominated in foreign currencies. It does not hedge its currency exposure because its current level of foreign holdings would not subject it to a liquidity risk that could mandate ill-timed conversion, and because it has a "long-term" investment view. It relies on studies that prove currency hedging does not add value in the long term, while it can, in the short term, add an additional layer of risk.

Interest Rate Risk Management

Fluctuations in interest rates can impact the market value of the fixed-income portfolio, as well as shift investor preferences among asset classes. Interest rate risk is minimized by managing the duration of the fixed-income portfolio within predetermined prudent policy limits.

Real Estate Risk Management

Risk in the real estate portfolio is managed through diversification across real estate types and locations. Adverse impacts in any one segment of the market or geographic location are minimized by having holdings diversified across residential, commercial, industrial, and development markets, ranging in location from British Columbia to the Maritimes.

Note 6 — Capital Assets ($ thousands)

	2000				1999
	Cost	Depreciation	Accumulated Depreciation	Net Book Value	Net Book Value
Land	7,314	–	–	7,314	7,239
Buildings	75,959	1,949	30,968	44,991	46,899
Furniture, equipment, and vehicles	114,200	16,415	87,787	26,413	38,903
Deferred costs	118,808	13,572	27,025	91,783	74,324
	316,281	**31,936**	**145,780**	**170,501**	**167,365**

Note 7 — Benefit Liabilities ($ thousands)

	2000							1999
	Short-term Disability	Long-term Disability	Survivor Benefits	Health Care	Rehabilitation	Claims Administration	Total	Total
Balance – January 1	388,411	4,528,679	824,428	925,862	248,280	–	6,915,660	6,542,161
Add claim costs:								
Current year's injuries	290,606	262,395	30,542	225,324	56,994	77,358	943,219	866,755
Prior years' injuries	30,983	(8,462)	(21,521)	34,725	28,900	323,257	387,882	400,717
	321,589	253,933	9,021	260,049	85,894	400,615	1,331,101	1,267,472
Less claim payments made:								
Current year's injuries	155,733	582	1,169	93,595	723	–	251,802	240,872
Prior years' injuries	158,977	266,254	54,824	122,080	84,242	–	686,377	653,101
	314,710	266,836	55,993	215,675	84,965	–	938,179	893,973
Balance – December 31	395,290	4,515,776	777,456	970,236	249,209	400,615	7,308,582	6,915,660
Represented by:								
Provision for unfinalled claims	395,290	2,010,668	52,958	970,236	249,209	400,615	4,078,976	3,746,505
Pension awards, capitalized values	–	2,505,108	724,498	–	–	–	3,229,606	3,169,155
	395,290	**4,515,776**	**777,456**	**970,236**	**249,209**	**400,615**	**7,308,582**	**6,915,660**

Note 8 — Changes in Actuarial Valuations of Benefit Liabilities ($ thousands)

	2000			1999		
	Claim Costs	*Less:* Benefit Payments	Changes in Actuarial Valuations of Benefit Liabilities	Claim Costs	*Less:* Benefit Payments	Changes in Actuarial Valuations of Benefit Liabilities
Short-term disability	321,589	314,710	6,879	342,860	323,099	19,761
Long-term disability	253,933	266,836	(12,903)	524,182	236,097	288,085
Survivor benefits	9,021	55,993	(46,972)	43,665	56,506	(12,841)
Health care	260,049	215,675	44,374	286,918	203,740	83,178
Rehabilitation	85,894	84,965	929	69,847	74,531	(4,684)
Balance before claims administration	930,486	938,179	(7,693)	1,267,472	893,973	373,499
Claims administration	400,615	–	400,615			
	1,331,101	**938,179**	**392,922**	**1,267,472**	**893,973**	**373,499**

Note 5 — continued

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Interest Rate Risk Management

Fluctuations in interest rates can impact the market value of the fixed-income portfolio, as well as shift investor preferences among asset classes. Interest rate risk is minimized by managing the duration of the fixed-income portfolio within predetermined prudent policy limits.

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Pension awards, capitalized values	–	2,505,108	724,498	–	–	–	3,229,606	3,169,155
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Balance before claims administration	930,486	938,179	(7,693)	1,267,472	893,973	373,499
Claims administration	400,615	–	400,615			
	1,331,101	**938,179**	**392,922**	**1,267,472**	**893,973**	**373,499**

Note 9 — Reserves ($ thousands)

	2000				1999
	Contingent	Disaster	Enhancement	Total	Total
(a) Special reserve costs					
Short-term disability	–	–	22,255	22,255	29,168
Long-term disability	–	–	49,962	49,962	34,759
Survivor benefits	–	–	764	764	3
Health care	–	–	9,646	9,646	11,044
Rehabilitation	–	–	16,319	16,319	17,469

The special reserve balance at December 31 is represented by:	2000	1999
Contingent	2,500	2,500
Disaster	16,500	16,500
Enhancement	21,000	21,000
Balance – December 31	40,000	40,000
(b) Accident Fund Research Reserve	30,000	30,000
(c) Future Claims Administration Reserve	–	212,000
(d) Latent Occupational Disease Reserve	200,000	200,000
(e) Earthquake Disaster Reserve	20,000	20,000
	290,000	**502,000**

Note 10 — Premiums ($ thousands)

	2000	1999
Rateable classes	1,083,487	872,086
Abatement of pre-2000 subclass surplus	(100,177)	–
Interest on pre-2000 subclass surplus	(46,585)	–
Industry funded initiatives	(6,089)	(4,938)
Capping of rate changes and amortization of balance		
Capping of rate changes	(111,967)	(20,206)
Amortization of balance	–	(24,040)
	(111,967)	(44,246)
Rateable classes – net	818,669	822,902
Self-insured employers	45,200	44,231
Penalties	2,373	8,344
	866,242	**875,477**

Note 10 — continued

With the implementation of the Board's new classification and experience rating systems in 2000, employers in former subclasses with a surplus at December 31, 1999 (total of $431 million) will have those surpluses abated back to them through the rate-setting process generally over a five-year period. The total amount abated to employers in 2000 is $100 million relating to the subclass surpluses, plus $47 million in interest earned on the subclass surpluses. The interest was calculated based on the rate that was applied to the rate group balances. Employers in subclasses with a deficit at December 31, 1999 (total of $298 million) will have those deficits funded at the aggregate level by the application of excess investment income.

The capping of rate changes represents the effect of the Board's policy to limit changes to the rates of any rate group from year to year. In 2000, the capping included a special relief in the assessment rates of employers whose premiums increased by a substantial amount during the transition to the new classification and experience rating systems. The shortfall in funding created by the transition plan will be funded at the aggregate level by the application of excess investment income. In case the excess investment income is insufficient, the shortfall will then be funded by raising the aggregate base rate of all employers and independent operators. In 2000, the transition cost is $99 million.

The amortization of the balance represents the effect of the planned amortization of the projected surplus or deficit of each rate group at the beginning of each appropriate year.

Note 11 — Gain and Loss Analysis ($ thousands)

The following is a reconciliation of the variances from the actuarial assumptions for the rateable classes (rounded to the nearest $1 million).

	2000	1999
Unappropriated balance – January 1	134,000	84,000
Retroactive provision for long-term disability benefits	–	(15,000)
Current year's excess (deficiency) – rateable classes		
Current year's claim and operating costs		
Estimated	1,060,000	910,000
Actual	(1,105,000)	(1,049,000)
	(45,000)	(139,000)
Premium income adjustments		
Abatement and interest on pre-2000 subclass surplus	(147,000)	0
Amortization of balance	0	(24,000)
Capping of premium rate changes	(112,000)	(20,000)
Prior years' adjustments and miscellaneous	23,000	(35,000)
	(236,000)	(79,000)
Changes in actuarial assumptions		
Change in net discount rate from 3.0% to 3.5%	458,000	–
Capitalization of claims administration expenses	(385,000)	–
	73,000	0

Note 9 — Reserves ($ thousands)

	2000				1999
	Contingent	Disaster	Enhancement	Total	Total
(a) Special reserve costs					
Short-term disability	–	–	22,255	22,255	29,168
Long-term disability	–	–	49,962	49,962	34,759
Survivor benefits	–	–	764	764	3
Health care	–	–	9,646	9,646	11,044
Rehabilitation	–	–	16,319	16,319	17,469

The special reserve balance at December 31 is represented by:	2000	1999
Contingent	2,500	2,500
Disaster	16,500	16,500
Enhancement	21,000	21,000
Balance – December 31	40,000	40,000
(b) Accident Fund Research Reserve	30,000	30,000
(c) Future Claims Administration Reserve	–	212,000
(d) Latent Occupational Disease Reserve	200,000	200,000
(e) Earthquake Disaster Reserve	20,000	20,000
	290,000	**502,000**

Note 10 — Premiums ($ thousands)

	2000	1999
Rateable classes	1,083,487	872,086
Abatement of pre-2000 subclass surplus	(100,177)	–
Interest on pre-2000 subclass surplus	(46,585)	–
Industry funded initiatives	(6,089)	(4,938)
Capping of rate changes and amortization of balance		
Capping of rate changes	(111,967)	(20,206)
Amortization of balance	–	(24,040)
	(111,967)	(44,246)
Rateable classes – net	818,669	822,902
Self-insured employers	45,200	44,231
Penalties	2,373	8,344
	866,242	**875,477**

Note 10 — continued

With the implementation of the Board's new classification and experience rating systems in 2000, employers in former subclasses with a surplus at December 31, 1999 (total of $431 million) will have those surpluses abated back to them through the rate-setting process generally over a five-year period. The total amount abated to employers in 2000 is $100 million relating to the subclass surpluses, plus $47 million in interest earned on the subclass surpluses. The interest was calculated based on the rate that was applied to the rate group balances. Employers in subclasses with a deficit at December 31, 19[illegible] (total of $298 million) will have those deficits funded at the aggregate level by the application of excess investment income.

The capping of rate changes represents the effect of the Board's policy to limit changes to the rates of any rate group from year to year. In 2000, the capping included a special relief in the assessment rates of employers whose premiums increased by a substantial amount during the transition to the new classification and experience rating systems. The shortfall in funding created by the transition plan will be funded at the aggregate level by the application of excess investment income. In case the excess investment income is insufficient, the shortfall will then be funded by raising the aggregate base rate of all employers and independent operators. In 2000, the transition cost is $99 million.

The amortization of the balance represents the effect of the planned amortization of the projected surplus or deficit of each rate group at the beginning of each appropriate year.

Note 11 — Gain and Loss Analysis ($ thousands)

The following is a reconciliation of the variances from the actuarial assumptions for the rateable classes (rounded to the nearest $1 million).

	2000	1999
Unappropriated balance – January 1	134,000	84,000
Retroactive provision for long-term disability benefits	–	(15,000)
Current year's excess (deficiency) – rateable classes		
Current year's claim and operating costs		
Estimated	1,060,000	910,000
Actual	(1,105,000)	(1,049,000)
	(45,000)	(139,000)
Premium income adjustments		
Abatement and interest on pre-2000 subclass surplus	(147,000)	0
Amortization of balance	0	(24,000)
Capping of premium rate changes	(112,000)	(20,000)
Prior years' adjustments and miscellaneous	23,000	(35,000)
	(236,000)	(79,000)
Changes in actuarial assumptions		
Change in net discount rate from 3.0% to 3.5%	458,000	–
Capitalization of claims administration expenses	(385,000)	–
	73,000	0

Note 11 — continued

	2000	1999
Prior years' experience gain (loss)		
Short-term disability	(23,000)	(37,000)
Long-term disability	(94,000)	(29,000)
Survivor benefits	23,000	32,000
Health care	2,000	(29,000)
Rehabilitation	(23,000)	(3,000)
Miscellaneous items	50,000	33,000
	(65,000)	(33,000)
Investment income in excess of Consumer Price Index, plus discount rate (2000: 3.0%; 1999: 3.0%)	348,000	486,000
Appropriation to Earthquake Disaster Reserve	–	(20,000)
Appropriation to Latent Occupational Disease Reserve	–	(150,000)
Transfer from Claims Administration Reserve	212,000	–
Unappropriated balance – December 31	**421,000**	**134,000**

Note 12 — Employee Benefit Plans

The Board has several employee benefit plans which provide pension and other post-employment benefits to its employees.

The Board and its employees contribute to the Workers' Compensation Board Superannuation Plan, a defined benefit plan. The plan provides pensions based on length of service and best five-year average earnings. For funding purposes, and to determine the contribution rate, the plan requires an actuarial valuation of the plan's liabilities at intervals of not more than three years. The last valuation was carried out as at March 31, 2000. In addition, the Board also has an unfunded obligation relating to basic medical and extended health care post-retirement benefits that it provides to eligible Board retirees; Board employees are not required to contribute toward these health care benefits.

The cost of these retirement benefits earned by employees is actuarially determined using the projected benefit method, prorated on service and management's best estimate of expected plan investment performance, compensation level increases, retirement ages of employees, and expected health care costs.

The Board had applied the recommendations of the Canadian Institute of Chartered Accountants' new standards on Employee Future Benefits (Section 3461) to its non-pension plan liabilities in its 1999 financial statements. Effective January 1, 2000, the Board also implemented these recommendations with respect to its pension plan using the following policies and actuarial assumptions:

- Plan assets are recognized at fair value, both at December 31, 1999 and December 31, 2000. The expected return on plan assets is also based on fair value of assets.
- The March 31, 2000 funding valuation results were used to derive a restated position as at December 31, 1999 and to derive the projected liabilities as at December 31, 2000.

Note 12 — continued

- The significant actuarial assumptions adopted in valuing the Board's benefit plan expenses are as follows:

	Pension Plan		Other Benefit Plans	
	2000	**1999**	**2000**	**1999**
Discount rate	7%	7%	7%	7%
Expected long-term rate of return on plan assets	7%	7%	n/a	n/a
Rate of compensation increase / health care cost increase	4.5%	4.5%	6%	6%
Average remaining service period of active employees expected to receive benefits under the pension plan (years)	11 years	11 years	11 years	11 years

Aggregated information about the Board's employee benefit plans is summarized below:

	Pension Plan		Other Benefit Plans	
	2000	**1999**	**2000**	**1999**
Accrued benefit obligation – December 31	464,424	419,845	35,790	35,119
Fair value of plan assets – December 31	613,880	576,141	–	–
Funded status – plan surplus (deficit) – December 31	149,456	156,296	(35,790)	(35,119)
Unamortized net actuarial gain (loss) – December 31	(7,752)	0	190	(8,576)
Unamortized transitional asset – December 31	133,387	146,726	n/a	n/a
Accrued benefit asset (liability) – December 31	**23,821**	**9,570**	**(35,980)**	**(26,543)**
Amortization of net actuarial (gain) loss	0	0	5,064	n/a
Amortization of transitional (asset) obligation	(13,339)	n/a	n/a	n/a
Employee contributions	5,469	5,091	n/a	n/a
Employer contributions	6,491	4,812	n/a	n/a
Net benefit plan expense (income)	(7,760)	8,265	10,018	3,319

The accrued benefit asset relating to the Board's pension plan is included in its accounts receivable, while the accrued benefit liability relating to its other employee benefit plans is included in its accounts payable.

Because of the significant surplus, the required employee contributions to the basic account were reduced by 50 percent of the regular amount and the employer's contribution was set to equal the employee's contribution during both 1999 and 2000.

Note 11 — continued

	2000	1999
Prior years' experience gain (loss)		
Short-term disability	(23,000)	(37,000)
Long-term disability	(94,000)	(29,000)
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Note 12 — continued

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Note 13 — Related Party Transactions

The Board is required to reimburse the Government of British Columbia for the operating costs of the Workers' Compensation Review Board, the Workers' Advisers Office, and the Employers' Advisers Office.

The Board is also responsible for the administration of the *Criminal Injury Compensation Act*. The *Criminal Injury Compensation Act* compensates people who are victims of any of the crimes listed in the statute. The Government of British Columbia reimburses the WCB for all operating costs incurred in the administration of the Act.

In addition to the legislated obligations referred to earlier, included in these financial statements are amounts resulting from routine operating transactions conducted at prevailing market prices with various British Columbia government-controlled ministries, agencies, and Crown corporations to which the Board may be considered related.

Account balances resulting from these transactions are included in the financial statements and are settled on normal trade terms.

Note 14 — Self-insured Employers ($ thousands)

	2000	1999
Current premium income	45,200	44,231
Claim costs		
Short-term disability	18,799	20,261
Long-term disability	11,798	13,887
Survivor benefits	(444)	2,462
Health care	(2,897)	12,313
Rehabilitation	4,276	1,303
Claims administration	14,918	–
	46,450	50,226
Share of special reserves costs	3,681	3,144
Operating costs	10,021	10,096
	60,152	63,466
Less: Share of investment income	(14,952)	(18,891)
Share of penalty income	–	(344)
	45,200	**44,231**

Included in the benefit liabilities is $152 million (1999: $146 million) for self-insured employers (except for the federal government). An equivalent amount is included in receivables because these liabilities will be paid by those employers in future years, hence they do not affect the Board's unfunded liability.

Note 15 — Comparative Figures

Certain 2000 figures have been reclassified to conform with the current year's presentation.

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Certain 2000 figures have been reclassified to conform with the current year's presentation.

Actuary's Opinion

The liabilities included herein have been computed by the Board in accordance with methods and assumptions approved by us. We have made such tests of the calculations as were deemed necessary. We have also examined the data upon which the calculations were based and found it to be sufficient and reliable for our purposes and consistent with the Board's financial statements.

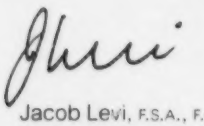
The 2000 liabilities shown below reflect the following differences from the 1999 calculations: (i) an increase in the net interest rate used for discounting future expenditures, from 3% to 3.5%, together with associated changes in related economic assumptions, and (ii) the capitalization of future administration expenditures on existing claims. The net effect of these changes is to reduce the 2000 liabilities by $75.4 million. A more detailed breakdown of these changes is given in Note 3 to the financial statements.

The liabilities under Pension Awards, Capitalized Values are for pensions in payment, and include the effect of cost-of-living increases granted effective January 1, 2001. Except for the net interest rate assumption, they have been computed using the same mortality and other assumptions used for the valuation as at December 31, 1999. The net interest rate of 3.5% makes implicit provision for the future indexing of pensions on the assumption that investment earnings on Board assets in excess of 3.5% will correspond, over the long term, to future inflation-related increases in benefits.

The Provision for Unfinalled Claims represents the liabilities for future claims costs in respect of injuries which occurred during 2000 and prior years, including future pensions other than those already in payment, and future claims administration expenses. It is based on projections of future claims payments and awards using ratios developed from the Board's claims experience, average benefit rates, the net interest rate assumption of 3.5% and, where applicable, the mortality and other assumptions used for computing pension liabilities. The methods used in calculating these liabilities were substantially the same as those employed in the previous valuation as at December 31, 1999.

In our opinion, the assumptions made are appropriate, the methods employed are consistent with sound actuarial principles, this valuation conforms with accepted actuarial practices, and the resulting amounts set out below make reasonable provision, as at December 31, 2000, for the future benefits expenditures of the Board in respect of injuries to December 31, 2000.

($,000s)	Pension Awards, Capitalized Values	Provision for Unfinalled Claims	Total
Benefit Liabilities:			
Short-term Disability	–	395,290	395,290
Long-term Disability	2,505,108	2,010,668	4,515,776
Survivor Benefits	724,498	52,958	777,456
Health Care	–	970,236	970,236
Rehabilitation	–	249,209	249,209
Claims Administration	–	400,615	400,615
	3,229,606	**4,078,976**	**7,308,582**



Jacob Levi, F.S.A., F.C.I.A.
Eckler Partners Ltd.
Consulting Actuaries

March 12, 2001

Ten-year Summary of Financial Statements

Unaudited

Balance Sheet
As at December 31 ($ thousands)

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Assets										
Receivables	407,531	369,830	404,165	448,336	462,460	446,918	403,694	349,384	281,615	258,095
Portfolio investments	7,686,438	7,108,502	6,505,445	5,907,252	5,408,592	4,757,109	4,272,205	3,992,148	3,789,517	3,632,431
Capital assets	170,501	167,365	136,019	110,142	96,024	93,542	92,619	94,831	90,610	81,971
	8,264,470	**7,645,697**	**7,045,629**	**6,465,730**	**5,967,076**	**5,297,569**	**4,768,518**	**4,436,363**	**4,161,742**	**3,972,497**
Liabilities and net fund surplus (deficiency)										
Payables and accruals	244,919	94,500	102,527	93,606	95,056	77,705	69,724	56,119	49,733	58,148
Benefit liabilities	7,308,582	6,915,660	6,542,161	6,257,860	6,187,528	5,845,022	5,403,216	4,955,596	4,189,051	3,824,952
Total liabilities	7,553,501	7,010,160	6,644,688	6,351,466	6,282,584	5,922,727	5,472,940	5,011,715	4,238,784	3,883,100
Reserves	290,000	502,000	332,000	70,000	40,000	40,000	40,000	40,000	40,000	40,000
Unappropriated balance (Unfunded liability)	420,969	133,537	68,941	44,264	(355,508)	(665,158)	(744,422)	(615,352)	(117,042)	49,397
Net fund surplus (deficiency)	710,969	635,537	400,941	114,264	(315,508)	(625,158)	(704,422)	(575,352)	(77,042)	89,397
	8,264,470	**7,645,697**	**7,045,629**	**6,465,730**	**5,967,076**	**5,297,569**	**4,768,518**	**4,436,363**	**4,161,742**	**3,972,497**

Statement of Operations and Unappropriated Balance (Unfunded Liability)
For the Year Ended December 31 ($ thousands)

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Income										
Premiums	866,242	875,477	916,742	990,904	999,775	984,601	878,187	759,950	644,987	575,572
Investments	785,429	858,409	701,857	644,688	533,745	437,525	345,373	356,621	316,122	329,617
	1,651,671	1,733,886	1,618,599	1,635,592	1,533,520	1,422,126	1,223,560	1,116,571	961,109	905,189
Expenses										
Claim costs										
Short-term disability	321,589	342,860	299,231	267,528	256,841	303,052	309,528	279,330	252,972	217,679
Long-term disability	253,933	524,182	428,029	425,089	467,479	460,630	463,767	245,924	477,319	417,887
Survivor benefits	9,021	43,665	58,036	56,802	58,907	52,055	44,969	550,096	38,442	133,318
Health care	260,049	286,918	259,938	214,307	186,912	216,330	224,832	168,940	151,052	29,707
Rehabilitation	85,894	69,847	58,892	38,994	58,701	119,907	118,643	181,728	32,522	20,352
Claims administration	400,615									
	1,331,101	1,267,472	1,104,126	1,002,720	1,028,840	1,151,974	1,161,739	1,426,018	952,307	818,943
Operating and prevention costs										
Operating	203,653	189,337	187,260	168,311	162,987	160,858	161,064	161,209	149,074	129,861
Prevention	41,485	42,481	40,536	34,789	32,043	30,030	29,827	27,654	26,167	24,155
	245,138	231,818	227,796	203,100	195,030	190,888	190,891	188,863	175,241	154,016
	1,576,239	1,499,290	1,331,922	1,205,820	1,223,870	1,342,862	1,352,630	1,614,881	1,127,548	972,959
Surplus (Deficiency) from operations	75,432	234,596	286,677	429,772	309,650	79,264	(129,070)	(498,310)	(166,439)	(67,770)
(Unfunded liability) Unappropriated balance – January 1	133,537	68,941	44,264	(355,508)	(665,158)	(744,422)	(615,352)	(117,042)	49,397	117,167
	208,969	303,537	330,941	74,264	(355,508)	(665,158)	(744,422)	(615,352)	(117,042)	49,397
Appropriation to Research Reserve				(30,000)	–	–	–	–	–	–
Appropriation to Future Claims Administration Reserve	212,000	–	(212,000)							
Appropriation to Latent Occupational Disease Reserve		(150,000)	(50,000)							
Appropriation to Earthquake Disaster Reserve		(20,000)								
Unappropriated Balance (Unfunded Liability) – December 31	**420,969**	**133,537**	**68,941**	**44,264**	**(355,508)**	**(665,158)**	**(744,422)**	**(615,352)**	**(117,042)**	**49,397**

Note: The above amounts have been restated reflecting the retroactive effects of changes in accounting policies.

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	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Supplementary financial information										
Capital asset expenditures ($ thousands)	**33,936**	55,540	38,240	33,815	12,584	11,043	10,121	17,389	32,226	16,888
Special reserve costs (included in claim costs)	**98,946**	92,443	81,319	62,211	77,644	79,681	74,723	74,232	56,896	35,697
Claim costs										
Current year's injuries	**943,219**	866,755	837,887	780,807	698,271	710,803	716,523	643,920	620,458	557,632
Prior years' injuries	**387,882**	400,717	266,239	221,913	330,569	441,171	445,216	782,098	331,849	261,311
	1,331,101	1,267,472	1,104,126	1,002,720	1,028,840	1,151,974	1,161,739	1,426,018	952,307	818,943
Claim costs										
Payments[1]	**938,179**	893,973	819,825	932,388	686,334	710,168	714,119	659,473	588,208	503,100
Change in benefits liabilities	**392,922**	373,499	284,301	70,332	342,506	441,806	447,620	766,545	364,099	315,843
	1,331,101	1,267,472	1,104,126	1,002,720	1,028,840	1,151,974	1,161,739	1,426,018	952,307	818,943
Statistics										
Claims first reported[2]	**184,131**	178,187	179,582	185,852	189,418	194,280	197,911	195,117	197,793	203,740
Claims accepted[3]	**140,020**	136,741	144,380	148,144	145,278	147,223	140,785	135,689	147,513	149,850
Claims disallowed[4]	**11,211**	9,724	8,139	8,358	9,370	8,776	6,994	5,380	5,544	6,981
Claims rejected[5]	**2,144**	1,889	1,884	1,733	1,538	1,667	1,846	2,360	2,713	3,039
Claims disallowed as a proportion of claims reported (%)[6]	**6.1**	5.5	4.5	4.5	4.9	4.5	3.5	2.8	2.8	3.4
Injury rate (number of short-term disability claims per 100 person-years of employment)	**4.0**	4.1	4.3	4.5	4.6	4.8	5.2	5.3	5.5	5.7
Duration of claim (days paid per claim)										
– in injury year	**26.2**	26.5	25.9	24.0	22.7	23.3	24.3	24.1	23.1	21.8
– total of all years	**50.8**	52.3	47.5	42.2	40.1	43.3	45.1	43.2	40.5	35.3
Prevention inspection reports issued[7]	**30,992**	34,264	32,737	35,894	41,548	47,996	42,940	47,340	46,925	50,886
Prevention worksite activity hours[8]	**270,098**	251,633	276,268	212,121	225,889	221,785	195,175	n/a	n/a	n/a
Employers registered	**166,598**	164,963	159,036	153,499	149,582	143,599	138,249	113,929	112,525	109,106
Average premium rate ($)	**1.75**	1.88	2.01	2.22	2.29	2.29	2.16	2.11	1.95	1.83
Investment return of portfolio (%)										
– total return (market yield)	**5.0**	9.8	11.0	13.8	16.6	17.8	-0.5	18.2	7.3	20.7
– accounting return (yield on average value of portfolio)	**10.6**	12.6	11.3	11.4	10.5	9.7	8.4	9.2	8.5	9.4
– real return (yield in excess of inflation)[9]	**7.8**	10.3	10.3	9.9	8.7	7.3	8.6	7.3	6.9	5.0
Percent funded (ratio of assets to total liabilities) (%)[10]	**109**	109	106	102	95	89	87	89	98	102

[1] In 1997, benefit payments include payments of approximately $209 million to widows in respect of retroactive portion of reinstated pensions. Changes in actuarial valuations show a corresponding credit to reflect the reduction of the retroactive liability.

[2] Claims are not necessarily disallowed, rejected, or accepted in the year in which they are reported.

[3] Claims accepted include claims accepted for health-care-only benefits.

[4] Disallowed claims are those that fall within the scope of the *Workers Compensation Act* but are not payable because they are not work-related.

[5] Rejected claims are those that do not fall within the scope of the Act: claims from workers employed in industries not covered under the Act, claims from self-employed workers without optional protection, and accounts from physicians submitted in error to the Board.

[6] Reported claims that are not accepted, disallowed, or rejected are either suspended claims or "phantom" claims. Suspended claims are those where the claimant fails to respond to a request for information from the adjudicator, or withdraws the claim. "Phantom" claims are accident reports that are not claims for benefits.

[7] In 2000, inspection reports were written under the *Workers Compensation Act*, while in prior years the reports were written under both the *Workers Compensation Act* and the *Workplace Act*. Since 1994, these reports represent the number of inspections conducted. In 1993 and earlier years, multiple inspection reports were often issued after a single inspection.

[8] Worksite activities include Regional Services field officers' staff time spent on inspections, education, and consultation with workers, and other industry worker services. In 2000 and 1999, the total includes certification hours, which were 26,258 hours and 20,083 hours in 2000 and 1999 respectively; the source of information is the Prevention Firm File system. Prior to 1999, totals do not include certification hours and were obtained from the Prevention Time and Activity Reporting system (TARS).

[9] Inflation is the change in the All Canada CPI from the preceding October to the current October value, reflecting the indexation of injured worker benefits.

[10] The above amounts have been restated reflecting the retroactive effects of changes in accounting policies.

Ten-year Summary of Financial Statements

Balance Sheet
As at December 31 ($ thousands)

Unaudited

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Assets										
	407,531									
	7,656,438									
	170,501									
	8,264,470	7,645,697	7,045,629	6,465,730	5,967,076	5,297,569	4,768,518	4,436,363	4,161,742	3,972,497
Liabilities and net fund surplus (deficiency)										
	244,919									
	7,306,582									
	7,553,501									
	290,000									
	420,969									
	710,969									
	8,264,470	7,645,697	7,045,629	6,465,730	5,967,076	5,297,569	4,768,518	4,436,363	4,161,742	3,972,497

Statement of Operations and Unappropriated Balance (Unfunded Liability)
For the Year Ended December 31 ($ thousands)

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Income										
Premiums	866,242									
Investments	785,429									
	1,651,671									
Expenses										
Claim costs										
Short-term disability	321,589									
Long-term disability	253,933									
Survivor benefits	9,021									
Health care	260,049									
Rehabilitation	85,894									
Claims administration	400,615									
	1,331,101									
Operating and prevention costs										
Operating	203,653									
Prevention	41,485									
	245,138									
	1,576,239									
Surplus (Deficiency) from operations	75,432									
(Unfunded liability) Unappropriated balance – January 1	133,537									
	208,969									
Appropriation to Research Reserve										
Appropriation to Future Claims Administration Reserve	212,000									
Appropriation to Latent Occupational Disease Reserve										
Appropriation to Earthquake Disaster Reserve										
Unappropriated Balance (Unfunded Liability) – December 31	420,969	133,537	68,941	44,264	(355,508)	(665,158)	(744,422)	(615,352)	(117,042)	49,397

Note: The above amounts have been restated reflecting the retroactive effects of changes in accounting policies.

Supplementary financial information	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Capital asset expenditures ($ thousands)	33,936	55,540	38,240	33,815	12,584	11,043	10,121	17,389	32,226	16,888
Special reserve costs (included in claim costs)	98,946	92,443	81,319	62,211	77,644	79,681	74,723	74,232	56,896	35,697
Claim costs										
Current year's injuries	943,219	866,755	837,887	780,807	698,271	710,803	716,523	643,920	620,458	557,632
Prior years' injuries	387,882	400,717	266,239	221,913	330,569	441,171	445,216	782,098	331,849	261,311
Claim costs	1,331,101	1,267,472	1,104,126	1,002,720	1,028,840	1,151,974	1,161,739	1,426,018	952,307	818,943
Payments	938,179	893,973	819,825	932,388	686,334	710,168	714,119	659,473	588,208	503,100
Change in benefits liabilities	392,922	373,499	284,301	70,332	342,506	441,806	447,620	766,545	364,099	315,843
	1,331,101	1,267,472	1,104,126	1,002,720	1,028,840	1,151,974	1,161,739	1,426,018	952,307	818,943
Statistics										
Claims first reported	184,131	178,187	179,582	185,852	189,418	194,280	197,911	195,117	197,793	203,740
Claims accepted	140,020	136,741	144,380	148,144	145,278	147,223	140,785	135,689	147,513	149,850
Claims disallowed	11,211	9,724	8,139	8,358	9,370	8,776	6,994	5,380	5,544	6,981
Claims rejected	2,144	1,889	1,884	1,733	1,538	1,667	1,846	2,360	2,713	3,039
Claims disallowed as a proportion of claims reported (%)	6.1	5.5	4.5	4.5	4.9	4.5	3.5	2.8	2.8	3.4
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Average premium rate ($)	1.75	1.88	2.01	2.22	2.29	2.29	2.16	2.11	1.95	1.83
Investment return of portfolio (%)										
– total return (market yield)	5.0	9.8	11.0	13.8	16.6	17.8	0.5	18.2	7.3	20.7
– accounting return (yield on average value of portfolio)	10.6	12.6	11.3	11.4	10.5	9.7	8.4	9.2	8.5	9.4
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In 1997, benefit payments include payments of approximately $209 million to widows in respect of retroactive portion of reinstated pensions. Changes in actuarial valuations show a corresponding credit to reflect the reduction of the retroactive liability.

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Claims accepted include claims accepted for health-care-only benefits.

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Rejected claims are those that do not fall within the scope of the Act: claims from workers employed in industries not covered under the Act, claims from self-employed workers without optional coverage, and accounts from physicians submitted in error to the Board.

Suspended claims that are not accepted, disallowed, or rejected are either suspended claims or "phantom" claims. Suspended claims are those where the claimant fails to respond to a request for information to allow adjudication or withdraws the claim. "Phantom" claims are accident reports that are not claims for benefits.

Prior to 1996, all accident reports were written under the *Workers Compensation Act*, while in prior years the reports were written under both the Workers Compensation Act and the Workplace Act. Since 1996, the number of inspections conducted in 1996 and earlier years, multiple inspection reports were often issued after a single inspection.

Prevention Services Activity Hours are the sum of hours recorded for direct client contact (i.e., time spent in respect of inspections, education, and consultation with workers and other industry worker services). In 2000 and 1999, the total hours are 251,633 hours and 270,098 hours in 2000 and 1999 respectively. The source of information is the Prevention Firm File system. Prior to 1999, totals do not include hours recorded in the Prevention Time and Activity Reporting System (TARS).

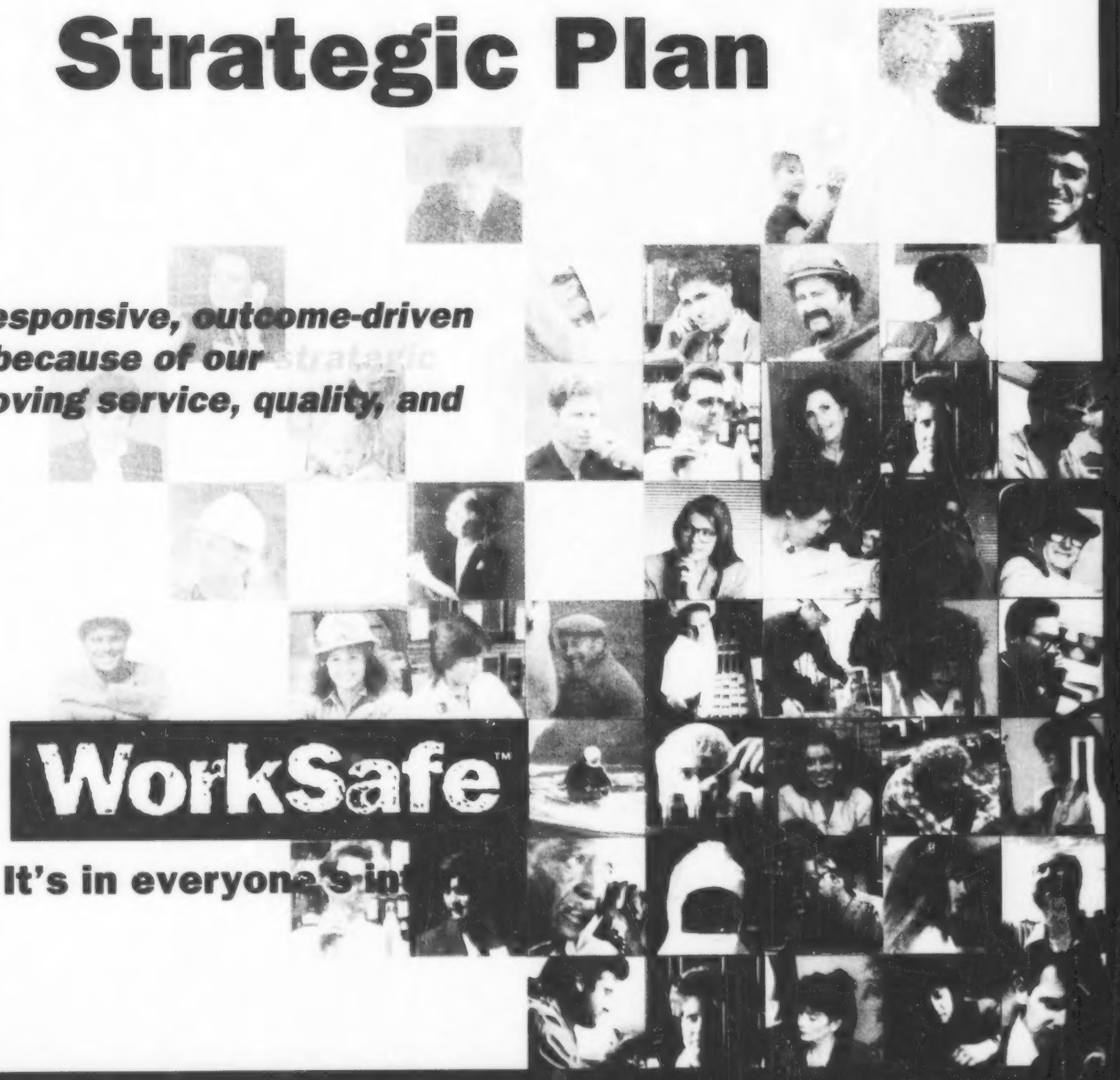
Investment returns are calculated using the Canadian Institute of Actuaries Standard Practice. Investments are valued at market value. Liabilities are discounted using a discount rate equal to the expected long-term rate of return on the investment portfolio. Liabilities are discounted to their present value using a discount rate equal to the current market value, reflecting the indexation of injured worker benefits.

Real return is the effects of changes in accounting policies.

-143 T/C

Strategic Plan

The WCB is a more responsive, outcome-driven organization. That's because of our commitment to improving service, quality, and accountability.



Strategic Plan

Transforming the WCB

Five years ago, the WCB embarked on a transformation. The province's injury rate was unacceptably high at 4.8, and time-loss injuries and worker fatalities were on the rise. The WCB had an unfunded liability of more than $600 million that threatened higher employer premium rates. The expanded coverage mandated by Bill 63 in 1994 increased the number of covered firms by 20 percent, stretching the Board's service capacity. In addition, the WCB's reliance on manual processes was contributing to delays in the adjudication, payment, and processing of injured workers' claims.

Clearly this situation could not continue. The WCB needed a strategic plan that supported its mission, vision, and values, and allowed it to fulfill its mandate under the *Workers Compensation Act*. In 1995, the WCB produced that plan.

The Transformation Strategy was developed by the Board's Panel of Administrators and Senior Executive Committee in consultation with employer and worker representatives. The plan set out specific annual goals — many ambitious — to the year 2000. These goals dealt with the Board's service, financial, and confidence challenges. The WCB's intent was to transform itself into a more stable, service-oriented, collaborative organization.

Advancing the plan

The WCB provided regular progress reports on meeting the strategic plan's annual goals to the Panel of Administrators, employers, and workers. By 1998, the Board had met most of them. The WCB also improved its data collection and analysis capabilities and increased its knowledge of how the system interrelates, which better equipped the organization to refine its services. The WCB established more accurate quantitative measures and methods to track performance and produce results. At this time, a royal commission on the workers' compensation system had produced its first report.

All these factors contributed to the WCB revising its strategic plan in 1998. The result, entitled Advancing the Plan, contained updated, clearer, and more specific objectives, definitions, and goals to the year 2003.

Accomplishing strategic goals

In 2000, the WCB completed the first phase of its transformation. The Board of today is indeed a changed and improved organization from the Board of five years ago.

The WCB's WorkSafe™ program of education, consultation, and enforcement is working. The province's injury rate has declined 17 percent, which at 4.0 represents 13,554 fewer injuries and approximately 27 fewer fatalities. Much of this success is attributed to the WCB collaborating with employer and worker groups to promote safe work practices. The result of these partnerships is increased stakeholder ownership of occupational health and safety, primarily through joint industry associations such as the Farm and Ranch Safety and Health Association (FARSHA), Safety and Health in Arts Production and Entertainment (SHAPE), and the B.C. Logging Health and Safety Agency (BCLHSA). Work is underway to establish more associations of this kind that have the greatest potential for driving down the injury rate.

The WCB's financial position is significantly healthier too. The underfunded status of four years ago has been transformed into an accident fund balance of 109 percent including reserves. In addition, the WCB eliminated its unfunded liability while reducing the average employer premium rate by 24 percent. In 2000, the average premium rate of $1.75 was the lowest in the past decade.

Some service indicators are also positive. Before 1997, injured workers' service satisfaction rates stood at 6.0 on a 10-point scale, but have since risen and remained relatively constant at 7.8. New business processes and the elimination of paper-based manual processes has improved the timeliness of initial claim acceptance. Injured workers receive their first payment on average 22.4 days

from the date of injury. Despite substantial changes in the province's industrial mix, an aging population, and an increase in complex claims, the claim duration rate remains modest compared with the Canadian average of 75 days. In 2000, the WCB's average claim duration decreased to less than 51 days.

Overall, the WCB is a more responsive, outcome-driven organization, establishing its priorities and making decisions based on reliable data. All these positive changes are producing the desired effect of increasing public confidence in the Workers' Compensation Board. Meeting the confidence challenge was among the many goals of the 1995 strategic plan and since then the Board's public contribution index as measured by annual Ipsos-Reid polls has increased from 51 percent in 1996 to 67 percent in 2000.

However, much work lies ahead. Service remains a challenge. The restructuring of business processes and services and the introduction of new technology and systems proved more disruptive than anticipated. Service improvements are progressing, but at a slower pace than expected. The past five years have taught the WCB that even greater care and effort will need to be applied to improve service for workers and employers.

Enhancing the plan

In 2000, the WCB revisited its strategic plan with the purpose of refining the organization's strategic direction and updating goals. The plan renews the Board's commitment to service, quality, and accountability.

Work will continue to develop new, innovative services through the WCB's web site, to provide faster and higher quality service through the Adjudication Quality Initiative, and to collaborate with employer and worker associations to reduce injuries and improve return-to-work in ways that meet the unique needs of specific industries and small business.

The WCB also holds itself accountable to meeting the plan's goals and reporting on its progress to stakeholders. Ongoing measurement practices established in recent years will continue, as will benchmark comparisons with other North American jurisdictions. To validate operational performance, periodic third-party external assessments and inventories will be conducted. The WCB will enhance its consultative efforts on policy, practice, and operational issues.

The WCB has set itself many ambitious goals, but it is perhaps better positioned to achieve these goals than ever before, and remains committed to fulfilling its mandate in a fair, transparent, and prudent manner.

Snapshot of the Board's Strategic Plan

For those we serve	2000 target
Decrease injury rate	3.9 (4.0)*
Reduce average duration	50 days (50.8 days)*
Improve return-to-work outcomes for Vocational Rehabilitation clients	63% (65%)*
Improve timeliness of initial claims acceptance	19 days (22 days)*
Raise injured workers' rating of service	8.0 (7.8)*
Raise public contribution index:	70% (67%)*
In our finances	
Rate groups between 95 and 105 percent funded	Between 95 and 105 percent
Achieve an accident fund balance, including reserves, in the range of 110–115 percent	110% (109%)*
Attain a 35 percent decrease in aggregate assessment rate	2001 rate of $1.84 of $100 of rateable payroll ($1.75)*
With our staff	
Improve the work climate	Next survey in 2001
Achieve 90 percent accreditation or internal certification level for professional officer staff	Complete identification and selection of accreditation bodies
Reflect within our workforce the diversity present in our community	Complete Phase 2

*Actual

Our Vision

Workers and workplaces safe and secure from injury and disease

Our Mission

To assist workers and employers to ensure safe workplaces, with income security and safe return-to-work for injured workers

Our Values

Service – client focused, result focused

People – respectful, collaborative, supportive

Business – ethical, professional, prudent

Development – future oriented, improvement oriented, learning oriented

The Mandate of the WCB

The *Workers Compensation Act* empowers the WCB to set and enforce occupational health and safety standards, provide fair compensation and rehabilitation to injured workers or their dependants, and collect funds from businesses to operate the workers' compensation system.

The WCB, which serves nearly two million workers and 167,000 employers, is dedicated to:

- Preventing workplace injuries, diseases, and fatalities
- Rehabilitating injured workers and returning them to productive, safe employment
- Providing fair compensation for workers suffering from an occupational disease or injury
- Providing sound financial management for a viable workers' compensation system
- Protecting the public interest

Panel of Administrators

Maureen Nicholls, Chair

George Heyman, President, BC Government and Service Employees' Union

Eric Mitterndorfer, Past President, Pulp and Paper Employee Relations Forum

Wolfgang Zimmerman, Executive Director, National Institute of Disability Management and Research

Senior Executive

Ralph McGinn, President and Chief Executive Officer

David Anderson, Vice-President, Rehabilitation and Compensation Services

Vaughan Bowser, Vice-President, Human Resources

Roberta Ellis, Vice-President, Prevention Services

Sid Fattedad, Vice-President, Finance and Information Services

Ed Bates, General Counsel and Secretary to the WCB

Direct Reports to the Panel

Anya Keefe, Director, Research Secretariat

Ajit Mehat, Director General, Policy and Regulation Development Bureau

Leigh Sheardown, Registrar, Medical Review Panel Department

John Steeves, Chief Appeal Commissioner, Appeal Division